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The Nation's Business

The Bank Merger
Mr. Robb Hints of Something Yet Untold

SOMETHING CONCEALED

DID Mr. Robb let the cat out of the bag in his Toronto interview on the bank merger? The conversation is reported thus:

The finance minister also made it clear that there were many facts behind the proposed merger of the Bank of Commerce and the Standard Bank that would, if known, put a different complexion on the affairs for a few isolated critics.

"Hang it all," he said, "there must be some things that a minister can't tell.

"The policy of the Liberal government in regard to bank mergers," he said, "is the policy of both parties. Our duty is to safeguard the interests of the depositors and the people. We meet every case on its merits as it comes up."

Mr. Robb stated that he knew of no division of opinion in the cabinet about the proposed merger of these banks. "I haven't heard of any," he replied, "and apparently there are no objections from depositors and shareholders of the two banks.

The bank act, he pointed out, surrounds mergers with safeguards. "The mergers will have to be advertised before it is completed," he pointed out.

"Surely the finance minister does not have to tell everything he knows when he says that by the merger of these two banks they will be in an improved condition," he added. "All Canadian banks are in a better condition now than in the days when the cabinet was sweating over the Traders Molson's and the Union banks."

* * *

SINCE Mr. Robb is not telling all he knows, one must read between his sentences. Aparently there is more to the merger of the Standard Bank of Canada with the Canadian Bank of Commerce than the public has been told, more than was mentioned in the statements of the officers of the two institutions. Mr. Robb has distinctly created the impression or, (shall we say?) confirmed an impression that has gained wide currency in financial circles, that the merger was necessary to the Standard Bank. If such was the case, there could have been no harm in so informing the public. As a result of the policy of secrecy that has been adopted, the public has been misled into suspecting that the union of the two banks was part of a plan by a group of capitalists to concentrate still further the money power of the country in a few hands. It has been led to believe that the government approves the steady reductions in the number of banks.

Mr. Robb's earlier statement on the bank merger gave no hint that the situation could have been as one might judge from his veiled reference to the Traders, Molsons and Union banks. And in August when he discussed the merger, he stated that he had merely given the banks permission to negotiate and had requested full publicity on the merger in order that the government should have a full cross-country opinion of the question before the cabinet met to discuss the merger. Mr. Robb got his opinions; reams of them from papers all over Canada and the general tone of editorial comment was unfavorable, despite outstanding exceptions. But the newspaper editorials were hardly based upon the "full publicity" to which Mr. Robb referred and we now know this by his statement that "surely the finance minister does not have to tell everything he knows."

* * *

THE public is entitled to the facts about each and every bank merger. There has been a lack of frankness concerning this one. The Financial Post has been inclined to oppose the present merger on the ground that a merger not dictated by economic necessity was dangerous toying with public opinion. It would have raised no voice in protest against a merger forced by conditions. When the merger was first discussed in these columns the comment that the merger must be regarded as unfortunate was qualified with the phrase "unless it can be shown that the merger was a necessity to safeguard the interests of Standard Bank depositors."

It may be argued that it would be well to keep the facts from the public in order that confidence in the Canadian banking system should not be shattered. We submit that considerable damage has been done to public confidence in the banking system simply by the proposal of the present bank merger, unsupported by any real evidence that it is in the public interest.

It is not too late for the officers of the two banks, co-operating with the minister of finance, to issue a statement that will either give facts that have up to the present been concealed or completely set at rest the public mind, made uneasy by rumors and by the finance minister's hint of facts "that a minister can't tell."

Page-Hersey Up; Pool is Operating

Pool operations are attributed as the reason for the advance this week of Page-Hersey common stock. It has sold as high as 116 and closed on Wednesday night at 114.

Earnings, as previously stated in The Financial Post, are known to be highly satisfactory and an early increase in the dividend, from $3 to $4 has been forecast. Such an increase would bring about conversion of the 7 per cent. cumulative preferred stock, which is convertible into common on the basis of two common for one preferred.

EXPECT STEEL WILL PUBLISH ITS PLAN SOON

Will Have Important Influence on the Market

SHAREHOLDERS GAIN?

No Indication of Proposed Action, But Stock Split is Expected by Many

From Our Own Correspondent

MONTREAL. — Unsubstantiated rumors that Steel Company of Canada may split its stock, on the basis of four new par for one old of $100 par value, are well within the realms of possibility.

The stock has shown considerable activity on both the Montreal and Toronto stock exchanges lately, reaching the 220 mark only last week. It is clear that the floating supply of stock is scarce and holders appear unwilling to part with their interests until some definite news is forthcoming from the directorate as to any change in the company's position.

Inquiry at the head office of the company here elicited the information that a statement was being considered, which would have an important bearing on the interests of the stockholders, if, as and when issued.

Obtain Distribution

If the company decided to split its stock on a four for one basis and change over to no par value, a much wider distribution would be obtained for the common. At present it is a rich man's stock and there are many Canadian investors who would willingly purchase the stock, but at present are debarred from doing so by its high price.

Present earnings are understood to be well in excess of those at this time last year and the policy of the company in turning back large portions of its earnings each year has built up a substantial equity behind the common stock.

Reduction of costs in various plants also is understood to have played a large part in the company's program of the past year. With this end in view, it is said that a new addition to the Hamilton plant will be constructed which, when in operation, will make for substantial reductions in operating costs in several departments.

Earnings Maintained

It is true that in 1927 manufacturing profits were down $81,325 and net profits lower by $122,968 from the previous year but the figures were higher than in any other year with that one exception. Last year earnings on the preferred were $36.92 and $16.90 on the common.

To date only seven per cent. has been paid on the common. This is not due to any lack of earning power, but rather to the privileges of the preferred stock, which participates equally with the common after seven per cent. has been paid on the latter.

It was freely stated some time ago that the company might do something to clean up the preferred and thus open the way to make larger payments on the common. It is possible that something might be done along these lines, rather than splitting the common. If the preferred were retired or converted into common, then it would be possible for the company to make a substantial distribution on the common, which is now on a yield basis of between 3 and 3.5 per cent. per annum.

Other Rumors Current

Other rumors in connection with Steel of Canada associate its name with Besco. The only apparent reason for this would appear that the diversity of these companies' briefs before the Tariff Commission are so fundamentally opposed that acquisition of Steel of Canada by Besco interests might lead to a certain alignment in requirements, insofar as the tariff is concerned, and thereby strengthen the brief of the latter company.

This move, however, does not seem to be logical in view of the strength and increasing growth of Steel of Canada. The company is in a far stronger operating and financial position than any other steel concern operating in Canada and it would take a lot of money to get control, let alone a minority interest.

It seems reasonable to believe that if the company issues a statement, such announcement will be along the lines of benefiting the common shareholders. They have been content to hold on to their stock for years, while other companies have been much more liberal with their shareholders.

The stumbling block to a more generous treatment of the common stock holders is in the rights surrounding the preferred. As this security is non-callable and has equal voting rights, some action would have to be taken by the directors in this regard

Canadian Markets Face Tight Money for Many Months

No Credit Stringency is Forecast But Caution Needed

SUBDUE SPECULATION

Canadian Situation Tied Up with New York, But Break There Will Not Hurt Here

By GARY MOORE

In the concluding article of this series on the call money market and the general credit situation as it affects the securities markets, we come to the most important question which we have to examine; that of "When will this tight money end?"

There has been presented a comprehensive picture of the Canadian call money situation. Deductions have been arrived at which admit the necessity for a larger amount of money to finance security purchases, but careful analysis has also revealed that the burden of developing a situation where this can obtain, falls more upon the brokers members of the larger Canadian exchanges than upon the bankers, who have shown a disposition in latter years to readily expand loans upon Canadian securities where it has been in harmony with sound banking practice. The extension of clearing house facilities to provide the clearance of loans as well as stocks has been advocated. And as this would necessitate a call money post or desk on the Toronto and Montreal exchanges, this would seem the most satisfactory method of instituting these credit facilities in Canada.

Higher Call Loans

The bankers must face the criticism of expansion of $39,348,914 of call loans abroad in August of this year. However, they have the explanation of preparing liquid cash to meet the demands of the west for harvesting purposes. There can be no question that call loans placed in New York during the crop moving season are more liquid than those which could be placed in Toronto or Montreal. This is a condition which should be rectified, but which can obtain only when the Canadian exchanges provide an outlet for call money comparable to New York. This necessitates a daily settlement through which Canadian call loans on securities will approach the basis of daily call loans rather than those of time loans which obtains at present.

However, there is this to be said for the present Canadian arrangement; that whereas call money in New York is liable at any moment to rise to a premium of eight, ten or even fifteen per cent., Canadian brokers are assured of a minimum supply at rates that will not exceed seven per cent. This seems to be so satisfactory to many brokers carrying a line of extensive bank credit, that any reorganization looking forward to the establishment of a free call money market must needs meet with their opposition. For this reason we must deal with conditions as they are, and not as they might be, if all the brokers were looking forward to a call money market on a share alike basis regardless of the interest rate.

Loans Here Expand

For a number of months call loans in Canada have exceeded those abroad, giving confirmation to the contention put forward in this series that Canadian bankers were awake to the necessity of providing for

(Continued on page 2, col. 5)

Money—a Summary of These Articles

The accompanying article concludes a series on the money situation in Canada. The opinion expressed in the different articles may be summarized as follows:

That expansion of Canadian call loans awaits a more receptive attitude on the part of leading brokers, who should be prepared to institute new machinery upon the leading exchanges, looking forward to clearance of loans as well as stocks.

That tight money is here to stay for many months, and that stocks will adjust themselves with this in consideration.

Meanwhile, the continuance of conservative trading upon the Toronto and Montreal exchanges is to be commended, in view that a severe reaction is certain to be encountered sooner or later in New York.

In the final analysis, tight money may prove to be a constructive factor in Canada for the next several months. Canadian conservatism will manifest itself most when the break comes in New York. For this reason tight money is to be commended at the present time.

On I.B.A.A. Board

JAS. A. ECCLES, of Harris, Forbes & Co., Montreal, who was elected a member of the Board of Governors of the Investment Bankers' Association of America at their Atlantic City meeting this week.

MASSEY GAIN LIKELY TO BE $4 PER SHARE

But Market Listens Vainly For Word of Dividend

Massey-Harris Co. will show earnings in excess of $4 per share for the year ending November 30 next, according to information that comes from a reliable source. The stock market has been hearing that earnings will be $5 per share. The statement easily could be made to show this figure, but it is believed that the appropriations for reserves will take about $1 per share.

Earnings were $2.69 per share in the year ended November 30, 1927.

Directorate of Massey-Harris Co. still is reticent on the matter of a dividend on the common stock. There have been rumors of dividends for more than a year but it has become known gradually that the board was not anxious to inaugurate payments on the junior stock. It is expected that the payments, when they come, will not aggregate more than $2 per year.

The management of the company is not of an optimistic temperament, but it is known that the officers are highly confident of the future of the business.

Acquisition of the Wallis tractor a year ago has proved a constructive move. Within the next few months the company will be manufacturing a smaller model of this tractor with a view to competition with tractors of the Ford type and size.

GREAT WEST ASSETS EQUAL 60 PER CENT.

At Most, Debenture Holders Will Get Only 80 Per Cent.

LIQUIDATION IS SLOW

Properties Difficult to Sell, While Large Sums Paid In Taxes and Repairs

Debenture holders and other creditors of Great West Permanent Loan Co. probably will receive from 60 to 80 per cent. of their claims, according to preliminary estimates. The company is being liquidated, by order of the courts, by National Trust Co. It is pointed out by individuals who have some knowledge of the company's affairs, however, that any estimate of ultimate return to debenture holders necessarily is vague and unsatisfactory owing to the fact that the assets are tied up in Western properties which are difficult to move.

One of the principal assets is the Marlborough Hotel and annex, Winnipeg. The company was compelled to buy in for about $50,000, a mortgage against the annex which had a face value of $165,000. With charges reduced and because of economies of management, the hotel property now is being operated at a profit. The liquidator, it is understood, hopes to sell it at a better figure than could have been obtained when the liquidation order was first issued.

Legal expenses in connection with the affairs of the company have been heavy, but it is believed that these are now in the past and that there will be no further litigation of importance.

Assets Written Down

Many of the properties carried on the books of the company were in such a state of disrepair that they were unsaleable at any price. The liquidator has had to spend considerable sums for repairs, but it is hoped that these will be returned if and when the properties can be sold.

It is believed that the half interest in the head office building in Winnipeg, which had been carried on the books at $300,000, is actually worth about $125,000. Many other assets similarly have had to be written down to lower valuations based on earning possibilities.

It has been intimated that it may be some years before the liquidation of the loan company will have been completed and prorata interim disbursement to debenture holders and other creditors is not likely in the immediate future. Debenture holders will get about 99 per cent. of the amount realized, less expenses.

Say Canadian Wineries Will be Money Maker When Product Matures

Stock at Present Levels After Unfortunate Market Conditions

SALES NOT PUSHED

Policy of Company is to Maintain Existing Earnings While Building for Future by Storage for Quality

Drop in the market value of stock of Canadian Wineries, Ltd., from an issue price last April of 22 to a low of 10½, has occasioned more comment in speculative circles than perhaps any other recession on the Canadian industrial market this year. The drop has resulted in a number of rumors which, at the best, hardly could be construed as constructive.

The issue of 100,000 shares originally was oversubscribed. The underwriters, it is reported, were short some 15,000 shares on the day that the stock was called for trading in the unlisted department of the Toronto stock exchange. Houses which participated in the issue were bound by a contract not to resell their stock under the issue price of 22.

Speculators Let Go

In the initial stages the stock sold to 23. Then it began to sag and it sagged consistently through the summer months. There has been some buying in recent weeks to account for the rise of a point from the record low.

There was a wide distribution but it soon became apparent that the distribution was not of the best character. Individual holdings, outside the management, were small, but when several thousand small holders saw that they were not going to profit from a quick turn to the extent of several points, there was an unloading at the lower levels. The underwriters had bought in the 15,000 shares they were short and several thousand additional shares. Dealers' stock which had supposedly placed among investors, found its way to the street in the names of dealers. It was apparent that some

(Continued on page 2, col. 4)

Negotiate to Merge Several Dairy Plants

Negotiations are admitted to be in process looking to a merger of a number of privately owned Toronto dairies and the Lakeside dairy, Burlington, Ont., but it is stated from an official source that it is by no means certain as yet that the deal can be put through.

John E. Russell, Gideon Grant, K.C., and F. W. Scriven are mentioned as probable directors of the new company if it is formed.

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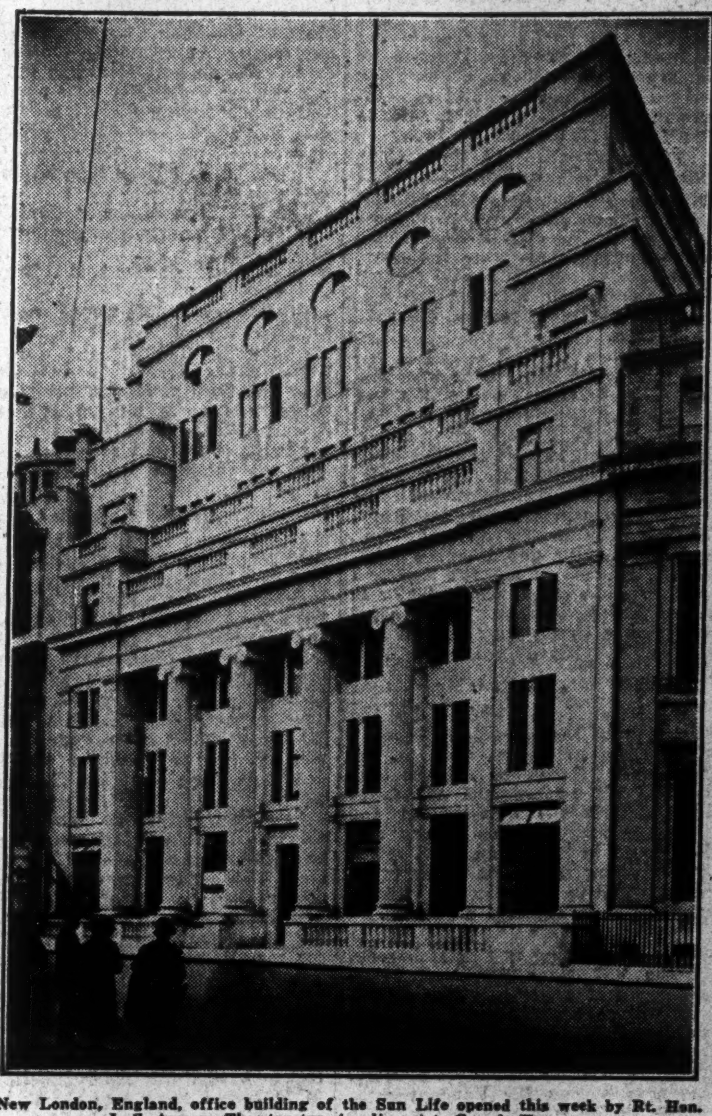
Complete Montreal Plant to Bottle Carlings' Products

Carlings Brewery has completed its Montreal bottling plant and it is scheduled to go into operation at once. It is expected that the operation of the Montreal unit will enable this London, Ontario, brewery to make money on its Quebec business, which has not been particularly profitable. The company will transport beer in bulk from London to Montreal, utilizing a 5,000 gallon tank car such as is used for the transport of chemicals, gasoline, etc., and will bottle it in Montreal for the Quebec trade. Company purchased a site for this plant last summer and has been busy since erecting and equipping a plant.

Carlings' business is stated to be holding up to the plant capacity despite recent events at the Detroit frontier which indicated a gesture by the Ontario government to stem the tide of liquor export. Apparently liquor is still being exported in as substantial quantities as ever.

For a while Carlings controlled its own stores or warehouses in Toronto from which it sold its own lines as well as beer manufactured by other breweries. This situation has been changed and the company has had to sell out its warehouses to independent interests. Nevertheless the company has managed, it is declared, to hold most of its Toronto trade.

Canada's Corner in London



New London, England, office building of the Sun Life opened this week by Rt. Hon. L. S. Amery. The structure is adjacent to Canada House.

Say Ogilvie Likely to Buy Maple Leaf, Including Bakeries

So Asserts Winnipeg While Toronto Sees Bigger Deal

COSTS NOW OVERLAP

Consolidation of Overseas Selling Agencies Would Benefit — 45,000 Barrels Daily

A dispatch from Winnipeg to The Financial Post says that it is quite likely that Ogilvie Flour Mills Co. will buy Maple Leaf Milling Co.

In Toronto this week it has been rumored that the Big Four of the milling industry—Ogilvie, Maple Leaf, Lake of the Woods and Western Canada—probably would merge, with Ogilvie segregating its investment account into an investment trust. Men conversant with conditions in the milling industry say that vast savings would result in a combination which would consolidate the selling agencies which the big companies maintain in the wheat-consuming centres of the world.

Maple Leaf Rises

It is apparent that certain interests have been trying to bring about a merger of the four, but it is not thought likely that success will crown these efforts. The ticker indicates that the proposed deal as outlined in the Winnipeg dispatch is the more likely. In the last week, Maple Leaf common has risen 25 or 30 points to 150 and Ogilvie has risen from 405 to 430. On the other hand, no similar movement is traceable in either of the other two stocks.

The price that Ogilvie would pay for Maple Leaf apparently has not been determined. It is believed that Ogilvie has suggested 160 or slightly higher, but these are rumors that Maple Leaf common is good for 220 or better. Maple Leaf earned $7.63 per share in the fiscal year 1928, $5.72 in 1927 and $4.17 in 1926. Ogilvie earned $24.02 per share in 1928, $21.54 in 1927, $11.47 in 1926 and $8.24 in 1925.

Apparently, if the deal goes through, it is intended to operate Maple Leaf as a subsidiary company rather than to absorb it into Ogilvie. Maple Leaf preferred, which is redeemable at the unusual price of 145, has not responded to the recent move in the common. The recent high of the preferred has been 114.

Maple Leaf's strong position in control of baking companies would make it a desirable acquisition by Ogilvie, which so far has not followed the example of Maple Leaf and Lake of the Woods in acquiring control of large domestic customers for flour. Canada Bread, Canadian Bakeries and Dominion Bakeries are the three companies controlled by Maple Leaf.

Canada Bread is probably the largest baking company in Canada, operating plants in Toronto, Montreal, Hamilton, Windsor, Brantford, Winnipeg and elsewhere. Canadian Bakeries operates bakeries in Western cities between Winnipeg and the Pacific coast. Dominion Bakeries, recently organized, owns bakeries in Windsor, Sarnia, Chatham, St. Catharines, Brantford, Guelph, Cobourg, Kingston and Wallaceburg. Sales of these plants in 1927 totaled nearly 6,500,000 loaves and the capacity of the plants is about 13,500,000 loaves.

Capitalization of Maple Leaf Milling consists of $2,930,000 of 7 per cent. preferred of $100 par value and $2,500,000 of common of $100 par value. Funded debt at the end of the fiscal year, March 31, totaled $1,786,500 of 6½ per cent. first mortgage bonds.

Maple Leaf mills have a daily capacity of 22,500 barrels, including the 13,000-barrel mill at Port Colborne which is the largest in the British Empire. Ogilvie flour mills have a capacity of 20,500 barrels per day, and mills for other cereals have a capacity of 2,250 barrels per day. Thus the combined capacity would be 43,000 barrels of flour and 2,250 barrels of other cereals, or a total of 45,250 barrels of all cereals. This would compare favorably with the larger milling companies in the United States; Standard Milling Co. plants have a daily capacity of 40,000 barrels.

Brazilian at New High; Sales Break Records

Brazilian Traction achieved a new high this week of 66, and on the Montreal market a new record for number of sales traded in a single day, the number being 71,800.

Important brokerage houses which long have been bullish on Brazilian recently have been reiterating their recommendations for purchase for the long hold. The company continues to show increases in gross and net earnings from month to month, and the outlook is considered highly promising in view of conditions in Brazil, and because the company is only now beginning to benefit materially from large capital investments made principally out of earnings in the last decade.

Goodyear Meeting

Annual meeting of Goodyear Tire & Rubber Co. of Canada will be held in the Blue Room of the King Edward Hotel, Toronto, at 2 p.m. on Monday, October 29.

Merger Problems Solved, Zimmerknit Outlook Good

Zimmerknit is reported to have solved the problems of coalescence which are the inevitable accompaniments of a manufacturing merger and to be entering the winter season with the prospect of satisfactory operating profits. It will be recalled that this company is a merger of the old Zimmerknit Company, with a plant at Hamilton, with Harvey Knitting Co. and Hosiers, Ltd., both of Woodstock. K. W. Harvey, former owner of Harvey Knitting Co., is the vice-president and managing director of the combined company.

A number of changes in personnel and revision of operating methods have been effected within the last several months in order to bring the combined company up to the peak of efficiency prevailing in one or other of the plants before the merger.

FARES HIGHER, BUT HAMILTON USES TROLLEY

Perhaps Only Jitneurs Keep Street Cars in Red Ink

MORE CURRENT SOON

Dominion Power Will Have Electricity When Industry Needs It, Comes Hint From Official

By Staff Editor

HAMILTON.—Jitneys still navigate the streets of Hamilton, depriving the street railway, operated by a subsidiary of Dominion Power & Transmission Co., of a certain amount of patronage. Countless jitneurs have been fined. Fines have not been paid. On the eve of casting a number of the jitneurs into jail, the attorney-general of Ontario granted a fiat permitting an appeal to a higher court. The county court had upheld the magistrate's decision.

Officials of Dominion Power are confident that they will be upheld in their contention that they have an exclusive franchise for carrying passengers (other than in taxicabs) within the city limits but, as the case is sub judice, it is not properly one for discussion.

In the meantime, three months experience with higher fares (6¼ cents as compared with the old five-cent fare) has shown no drop in patronage of the trolley cars and the company is proceeding with its programme of rejuvenating its tracks and rolling stock and extending the bus lines. Twelve new cars were ordered the other day from National Steel Car and within a year the company will have 48 cars of the latest type to replace 48 cars of an older type.

Hamilton Is Growing

If and when the jitneys are permanently relegated the company believes that its street-railway lines, still in the red ink for a small amount, will begin to show a profit under the new fares. Hamilton's experience of patronage under the higher fare is different, be it noted, from that of Duluth and Superior, Wis., in which Canadians are interested, and different from what is expected in Minneapolis and St. Paul if Twin City enforces its right to a fare which will give it a gross of 7½ per cent. on the fixed valuation of the property.

Hamilton is growing. Steel Company of Canada is spending millions on its plant. United Fuel is building for the future by providing a modern coal dock. Other companies are expanding their activities. In the downtown section of the city a tower-like skyscraper nearing completion enhances the metropolitan aspect of the city.

All this is helpful to the company owning the trolley system and the expanding bus system. It is also potentially helpful to the same company which owns the electric power system. The Ontario Hydro operates in Hamilton in competition with Dominion Power, but Dominion Power for years has shown a profit on its power operations and the company is confident that this condition will continue The Hamilton situation is similar to the Winnipeg situation, where Winnipeg Electric competes with a city-owned power system.

Will Increase Power Output

Dominion Power will have enough current to sell its customers no matter how great the growth of Hamilton. This is the opinion adduced from a conversation with a responsible official of the company. Directors are not saying where they are going to get the power, beyond remarking that the ultimate capacity of the Power Glen plant has not been reached, but it is evident that other plans are in the making which will give the city all the power it can take from Dominion Power.

Within the last several months there has been talk of Dominion Power selling out to the Ontario Hydro. It is apparent that there is no more basis for that now than at any time in the previous ten or fifteen years.

Dominion Power has won the goodwill of the public for itself and the subsidiary street railway. Several millions of preferred stock has been owned by customers and patrons for the last two years and the company has been frank and open in its dealings with the city and with individual consumers. The contract between the city and the street-railway has been ratified by the electors.

Wentworth Radio Sales

Wentworth Radio and Automobile Supply Company is reported to have exceeded the sales quota set for its new Toronto store. Company has no definite plans for new stores in other centres but will give its new Toronto store a complete trial before branching out further.

Stock Market

MARKET INDICATOR

20 Industrial Stocks	High	Low
Week of Oct. 17	94.7	89.6
Week of Oct. 10	92.2	87.9
Month of October, 1927	83.5	78.1
9 Bank Stocks		
Week of Oct. 17	303	293
Week of Oct. 10	302	298
Month of October, 1927	286	269
10 Public Utilities		
Week of Oct. 17	112	108
Week of Oct. 10	110	107
Month of October, 1927	105	97

WEEK'S GAINS AND LOSSES

	Gains	Losses	Unch.	Total
Banks	5	.	4	9
Paper	5	8	4	17
Steel	19	8	19	46
Foodstuffs	23	13	21	57
Utilities	7	12	17	36
Tractions	4	1	8	13
Textiles	1	6	12	19
Industrials	47	23	41	111
Total	111	71	126	308

HAMILTON DAIRIES PROFIT FOR YEAR MAY BE OVER $3

Earned Preferred Dividend in Less Than Three Months

DEPRECIATION LOWER

Appropriation for This Purpose Will be Less Than Half That of Previous Year

Hamilton Dairies, which showed earnings of less than 50 cents per share of common in the fiscal year 1927, ended January 31, 1928, the first year of operation of the merged companies, will earn, according to the present outlook, about $3 per share after all charges in the fiscal year ending January 31, 1929.

In the three summer months, net earnings were considerably in excess of the preferred dividend requirements, according to information which comes from an official source. It is said, further, that the company will show a profit for each year of the other nine months, although ice-cream sales are lower than in the summer, and it is pointed out that all of the profits in those months accrue to the common stock.

Less For Depreciation

It is said that gross profits for the year will be about $190,000 before depreciation. The depreciation will require somewhat less than $40,000, compared with $85,569 appropriated for that purpose in the previous year. The remaining profit is about three times the dividend requirement on the preferred stock, of which $750,000 have been issued. On this basis, the earnings on the common stock would be nearer $4 than $3, but the estimate of $3 is made with the possibility in view that earnings for the last three months of the year may not be up to expectations.

Management Is Good

Management of Hamilton Dairies is considered efficient. The principal competition in the city and vicinity comes from a large privately owned company. It is real competition but not unfriendly, so that price wars or other activities which would prove expensive to both sides are not likely.

The Silverwood chain has entered Hamilton within the last few weeks with the acquisition of a controlling interest in the Burke plant. The Burke plant has been principally in the ice-cream business heretofore, but, in co-operation with the other Silverwood dairies, Silverwood-Burke, Ltd., is making a drive for milk customers within the city. How far this will be successful, and how much any success that may be met may be hurtful to Hamilton Dairies, is yet to be determined. It is pointed out, however, that Hamilton is growing rapidly and that, in the circumstances, it is probable that all efficient dairies may continue to make progress.

Dr. Colby is Director of Aldred and Company

Announcement is made of the election of Dr. C. W. Colby, M.A., Ph.D., D.C.L., LL.D., as vice-president and director of Aldred & Company.

Dr. Colby is well known to Canadians as a man prominent both in educational and business circles. From 1896 to 1920 he was the head of the Department of History at McGill University. Since that time Dr. Colby has been actively engaged in business. For some time he was the executive head of Noiseless Typewriter Co., which was merged with Remington Typewriter Co., which in turn, in 1927, was incorporated into the larger organization of Remington Rand, Inc., of which latter company Dr. Colby is now a director.

Dr. Colby was elected in 1912 a director of the Canadian Bank of Commerce. He is also a director of other American and Canadian corporations, including: American Sales Book Co., William A. Rogers, F. N. Burt Co., Pacific Burt Co., Shredded Wheat Co.

During the past few years Dr. Colby has spent a great deal of his time in New York and abroad, but now intends to reside permanently in Montreal.

Nation's Commerce

Activities of Canadian Chambers of Commerce from Coast to Coast

From Our Own Correspondent

MONTREAL.—The plan of the Canadian Chamber of Commerce to meet and bring representatives of business and agriculture together is already promising success. The proposal is to hold a meeting of the National Executive in Toronto at the time of the Royal Winter Fair and all deputy ministers of agriculture in Canada have been invited to attend.

Replies received to invitations sent to the deputy ministers, indicate that the conference will be of a practical character. A willingness is shown by the official representatives of agriculture from the provinces to work out a practical scheme for co-operation between agriculture and other economic interests of Canada.

* * *

An informal conference was held in Ottawa last week by members of the National Dairy Council and the Horticultural Council of Canada, associate members of the Canadian Chamber of Commerce. It was decided to call a conference of their own organizations during the Royal Winter Fair in Toronto this fall, and the Eastern and Western Livestock Associations and the Egg and Poultry Association which latter is being formed at that time. Mutual problems with regard to marketing of their respective products will be discussed.

* * *

Word has been received by the secretary of the Canadian Chamber of Commerce from Hon. J. E. Brownlee, Premier of Alberta that he and his government are much pleased with the decision of the Chamber to meet in Calgary and Edmonton in September next year. The Premier adds that every preparation will be made by the government to make the trip a success.

* * *

The advertising and sales bureau, of the Vancouver Board of Trade composed of representatives of advertising concerns, display men from the large stores, and advertising experts of business firms, is making plans for the formation of a better business bureau for Vancouver.

The board is proceeding with an industrial survey which will set out the advantages which Vancouver offers to prospective industries.

Membership of the board has reached the large number of 1,430, and members are looking forward to a busy fall and winter programme with all bureaus and departments thoroughly organized.

Let Highway Contract

During the present year sixteen contracts for highways construction covering a total of 101.5 miles have been let by the Highways Division of the New Brunswick Department of Public Works, involving total expenditures running up to approximately $821,600.

OFFERS TO BUY CANADIAN SALT AT $250 SHARE

Canadian Industries, Ltd., Plans Further Expansion in This Country

Sir Thomas Tait, president of Canadian Salt Co., will send a letter to shareholders immediately suggesting that they accept the offer of Canadian Industries, Ltd., to buy the stock of Canadian Salt Co. at $250 per share. An alternative offer is that Canadian Industries pay all the outstanding liabilities of Canadian Salt Co., including bonded indebtedness, and a sufficient sum to give the shareholders of Canadian Salt Co., $225 per share on the liquidation of that company.

The last transaction in Canadian Salt on the Montreal exchange was on October 2, when ten shares sold at 175. The stock has sold this year as low as 154.

Capital stock of Canadian Salt consists simply of $1,500,000 of ordinary stock of the par value of $100. At the close of the last fiscal year the first mortgage bonds outstanding were $1,480,500 of Series A and $1,000,000 of Series B. Six per cent. equipment notes issued in 1923 are outstanding to the amount of $84,000.

Follows Melchett Visit

A statement issued on behalf of the proponent of the purchase says that this represents a step in the building up of a Canadian development to correspond with that of one of the parent companies of Canadian Industries Limited, i.e., Imperial Chemical Industries Limited, of London, which, among many other lines, is actively engaged throughout the world in the production and sale of products similar to those handled by the Canadian Salt Company.

Canadian Industries Limited decided to make what it considers to be a fairer and equitable offer for the stock of the Canadian Salt Company rather than to implant a competitive industry in Canada, duplicating unnecessarily existing facilities for manufacturing the products in question.

The opportunity given to Canadian Industries Limited to engage in this wider field of activity was the direct result of the visit of Lord Melchett and Sir Harry McGowan to Montreal some two weeks back.

Makes Varied Products

It will be remembered that Canadian Industries Limited through its various subsidiary companies already occupies an eminent position in the manufacture of explosives, sporting ammunition, artificial leather (fabrikoid), Duco, paints and varnishes, Pyralin celluloid, anhydrous ammonia, etc.

Capitalization of Canadian Industries Limited, consists of $4,650,000 of 7 per cent. preferred and 649,950 shares of common of no par value.

SAWYER-MASSEY FINDS NEW FIELD INITIAL SUCCESS

More Than 1,000 Truck Dump Bodies Sold First Season

Sawyer-Massey, Ltd., Hamilton, is converting the wood-working department of its large plant into a plant for the manufacture of truck dump bodies and trailers. The company in the last year has manufactured and sold more than 1,000 truck dump bodies suitable for carrying grain and all of these have been marketed in the prairie provinces. The success of this venture has determined the company to enter the business on a larger scale. The move has not yet been approved by the board formally, but it is understood that such action will be taken on the return of T. A. Russell, the president, from England.

Reorganization of the Sawyer-Massey plant at Hamilton with a view to more economical manufacture and assembly of threshing machines, road machinery, etc., has been effected in recent months. A feature of manufacturing operations is a moving assembly line similar to those in use in automobile plants.

Public Holds Third of Stock

Capitalization of Sawyer-Massey, Ltd., consists of 50,000 shares of no-par value common, of which 16,500 are held by former shareholders of Sawyer-Massey Co., Ltd. This latter company is in process of liquidation. Old shareholders will receive one new common for each old preferred and one new common for each ten old common.

There have been no trades in the old Sawyer-Massey stock for many months. Both preferred and common are listed on the Toronto stock exchange.

COCKSHUTT PLOW CO. TO MARKET TRACTOR

Sales Agency Rounds Out Line of Implement Maker

Allis-Chalmers Manufacturing Company of Milwaukee, Wisconsin, announces the appointment of Cockshutt Plow Co. as Canadian distributors of the Allis-Chalmers 20-35 Tractor.

This important development places Cockshutt Plow Company in a strategic position of being able to supply the needs of the modern farmer with power as well as with the complete line of power farming implements which it now manufactures.

The Allis-Chalmers 20-35 Tractor will be distributed by Cockshutt Plow Company's branches throughout Canada. It has been favorably known to the Canadian farmer for a long time and with a tie-up to a complete line of implements known the world over for durability and efficiency, a very much larger sale is predicted.

Brading Breweries to Meet Demand with New Plant

From Our Own Correspondent

MONTREAL.—As a result of the steady increase in sales in all parts of Ontario and Quebec, a meeting of the directors of The Brading Breweries will be held shortly to discuss plans for a new bottling plant and other improvements.

Although enlargements have been made to the Brading Brewery every year for the last three years, the continued increase in sales have during the past summer taxed the bottling capacity of the already large plant to the utmost.

BACKDOOR BEER STOPS PELISSIER SEVERAL DAYS

But 'Tis Said Ban on Legal Production Soon to be Lifted

Pelissier's Brewery in Winnipeg is not at the moment in operation. Its operations were stopped by the authorities of the Province of Manitoba, when the board of directors reported that there were some so-called back-door shipments which were not countenanced by the responsible officials of the company.

The stock, as a consequence, sold this week at a new low of 9¾. It recently has sold above 13 but has been sagging for some weeks. The initial appearance in January was at 15 and it has sold as high as 18½. Toronto interests concerned with the company predict that the Manitoba liquor authorities will lift the ban soon, when the commission has been convinced that the irregular practices will not be repeated.

TAMBLYN'S SALES UP 14 PER CENT. OVER LAST YEAR

$4 on Common Seems Assured on Record So Far

Earnings of George Tamblyn, Ltd., from February 23 to August 1 were $81,000 after depreciation, income taxes and all other charges. On this basis, it is estimated that the profit for the year will be $160,000. Preferred dividend requirements are $49,000 so that earnings on the 28,000 shares of common will be practically $4 per share, as has been predicted previously in Tre Financial Post.

Sales in 1928 have increased 14 per cent.

The company now operates 30 drug-stores in Toronto, and one store in each of these places: Hamilton, Guelph, Kitchener, Stratford and Brantford. Two new stores are being opened in Toronto and others in London and St. Catharines. It is expected that 40 stores will be operating by the end of the calendar year.

Management of G. Tamblyn owns 14,000 of the 28,000 shares and a large part of the balance has been put in strong boxes. The floating supply is small and stock recently has moved upward from 35 to 44.

CANADIAN WINERIES MONEY MAKER WHEN PRODUCT MATURES

(Continued from page 1)

dealers had not made a very serious attempt to distribute their stock well. The generally weak condition of the stock market did not help the situation.

Industry on Better Basis

Then came rumors of a revision in inventory values which reduced the current assets of the company. And there has been other talk of an unfavorable nature.

With the stock at its present levels, however, those who are conversant with the company and its plans for the next several years are confident that the worst is over. The native wine industry is believed to be on a sound basis and can look forward to an era of expanding sales and growing demand. This is in sharp contrast to the days of prohibition, when the wine-makers would build up no stocks for fear that the prohibition sentiment would end their business, and in the early days of government control, when they believed that renewal of the legal sale of malt liquors and spirits would eliminate the already precarious market for native wines in Ontario.

Improve Quality

Yet it was soon discovered that liquor control in Ontario brought gradually increasing sales. Moreover as the companies began to operate on a larger and more business-like scale, the orders from Quebec were increased. At present, the companies manufacturing wine in the Niagara district could sell their entire output, it is said to the Quebec liquor commission. These orders are for wine in bulk, however, and the companies prefer to hold and add to their business in bottled wine because in that there is naturally a wider margin of profit.

Canadian Wineries, as a company with a public investment interest, stepped into the picture when it became definite that the liquor control act of Ontario was not going to have an adverse effect on the native-wine industry, but that, on the contrary, it was fairly certain that the industry could look to the future with confidence, especially if it took steps to bring the quality of native wine up to the standards of the commoner varieties of imported wines.

Is Two-Year Hold

Canadian Wineries, Ltd., will show about the same earnings for 1928 that were shown for 1927 in the prospectus published last April. But in 1929 and 1930, it is said, the company will begin to profit from its policy of maturing a fairly substantial proportion of the beverages it is manufacturing.

It costs two cents per year per gallon to keep wine in storage. Three-year-old wine is worth twice as much as one-year-old wine. For this reason, the company is adopting a policy of selling only enough new wine to maintain previous earnings. Storage vats with a capacity of 250,000 gallons have been added to one plant and it is understood that further expansion in this direction is planned for one or two of the other four plants.

Directors of the company and others conversant with the affairs of the native-wine industry in Ontario are confident that the industry has a bright future especially if the large companies in the industry adopt a policy of maturing wines so that the product wins the goodwill of consumers who have been accustomed to purchase of imported wines.

It is not possible to make dry wines from grapes grown in the Niagara district, but it is feasible to produce most other kinds of wine made from grapes in other parts of the world. It is believed that if the industry gets itself into the position where no wine under three years old is sold to consumers that a large part of the business in imported wines will be secured for the domestic producers.

Canadian Wineries, Ltd., although it owns and operates five plants, is not the largest company in the industry. There are at least two privately owned companies which are larger producers. It is understood that these large private companies also are taking steps to mature a larger proportion of their output than has been the custom. If this takes place, the native wine industry in Ontaria undoubtedly will be benefitted.

May Remove Luxury Tax

There is a possibility that the luxury tax of 50 cents per gallon on native wines will be removed and that the present rule that not less than three bottles may be sold at a time will be revised so that a single bottle can be sold. The rule as to the size of the purchase would increase sales, in the opinion of winery executives.

Native wines must be manufactured from grapes grown in Canada. The wineries using Niagara grapes are confronted with a shortage in the supply of their raw material, so much so that all the grapes which Canadian Wineries are using for the manufacture of Marsh's Grape Juice, are imported from the Chautauqua district of New York State, although duty and freight double the cost of the grapes as compared with the Niagara product. However, an increased vineyard area is coming into production in the Niagara district every year and it is predicted that the district eventually will be able to produce an adequate supply of grapes for the wineries is the district.

With a shortage of grapes the wine makers of the Niagara district might find it difficult to resist the temptation to sell their product as quickly as possible, which is a year after the wines are placed in the storage vats. But with Canadian Wineries, Ltd., and the two or three large companies in sound financial position, it is predicted that their announced policy of not pushing sales, but to store a larger proportion of their output, will be adhered to this year and next and possibly in 1931.

Inventory Written Down

Prospectus of Canadian Wineries, dated last April, showed the company to have net current assets of $628,991 as of December 31, 1927. This has been improved to the extent of about $50,000. The $680,000 of working capital includes about $180,000 in cash and it is said that when the grape-buying season is over and the preliminary manufacturing expenses covered, the company will not owe its bankers more than $60,000. Moreover, inventory values per gallon have been stabilized at less than 40 cents per gallon, although the market value of year-old wine in bulk is 65 cents.

Canadian Wineries has 100,000 shares of stock of no-par value outstanding. At the issue price of $22 per share, this gave a valuation of $2,200,000 to the company, of which some $360,000 was in fixed assets, and $628,000 in liquids. Earnings, before income tax but after depreciation and all other charges, in 1927, were the equivalent of $2.23 per share. It has been intimated in official circles that the report for 1928, as nearly as can be judged at present, will show about the same earnings, with a much improved liquid position.

CANADIAN MARKETS FACE TIGHT MONEY FOR MANY MONTHS

(Continued from page 1)

Canadian securities markets before sending surplus funds abroad. The September bank statement must be awaited, and possibly that of October, before it can be charged that domestic institutions have abrogated this policy. However, even in face of expansion of call loans abroad in August, there is nothing to substantiate the charge that Canadian banks have discounted with the government to take advantage of the high call money rate in New York. This was fully explained in a previous article, and it was demonstrated that it was to the material interest of Canadian banks to care for mercantile demands at home before any other consideration. Examination of the figures and facts at hand lead to the conclusion that precisely this has taken place in accordance with sound banking practice.

Survey of Markets

The Financial Post's survey of the primary money markets, looking forward to an answer to that paramount question, "When will tight money end?" has been extensive. However, it was no more thorough that that of a leading Canadian banker, who recently spend considerable time in financial centres of the United States, seeking an answer to this same question. The higher dignitaries of American finance were questioned. Practically everyone was at loss to explain the anomaly of sustained speculative enthusiasm in face of the high cost of money. It must be presumed that the United States is dealing with a situation entirely new in the history of modern banking. The admissions of United States bankers leads only to the conclusion that the situation has got out of hand and can end only when the speculative public has received its just deserts, which is to say a swiftly declining market wherein liquidation is so extensive and so prolonged that bull operators for the rise are taken with surprise, as they have always been during a period of liquidation. That this will take place in the New York market is almost certain. However, any prediction as to when a bear market might enforce itself, would be ridiculous. The leading market authorities of the United States are at loss to predict when this phenomenon might take place.

Looking to the Future

While the admissions of American bankers at their recent convention must needs be interpreted as to mean that they are at loss to deal with the present situation, we are confronted with the long range perspective. That picture developed from credit charts which substantiates the view that the North American continent and even the world financial centres are in for a period of high interest rates. This is substantiated by the exports of gold from America the last six months. Also by the high total of installment sales that in the final analysis must be carried by the banks. And if this is true, then it would appear that the securities markets have established themselves upon such a basis. Speculation has discounted in fact anticipated high interest rates, and has prepared itself to continue upon such a basis until public participation breaks down the credit structure through unrestrained purchases at unwarranted levels. This, it must be presumed, is precisely what we must look forward to. High money rates (reflected in New York with call rates from eight to fifteen per cent.) and abnormal volume of trading to continue until the entire securities market is broken under the weight of these tremendous transactions.

When we examine the Canadian situation we discover how closely it is allied with that in the United States. It has been disclosed to The Financial Post that leading banks in Canada did not liquidate loans against the wheat crop of 1927 until late in August of this year. There is no indication that these credits will be available for mercantile and stock market purposes before July, 1929. In fact it has been intimated to this writer that leading banks in Canada have been preparing for this situation. The lower the world market price of wheat the longer will it take to liquidate the 1927-28 Canadian crop. And unless the southern hemisphere has a crop failure Canadian bankers cannot, at this writing, see their way clear for complete movement of Canada's crop until late next year.

What does this mean when we interpret it in terms of the stock market? Simply that New York, with its unrestrained speculation, will be bidding for Canada's surplus funds until the weight of the market there indicates a collapse and a bear market sets in. And that Canadian banks will be hard put to care for mercantile expansion the next eight months, to say nothing of stock market committments. This is the situation we must prepare for. Canadian stocks of recognized merit will probably ally themselves with the current American and world situation, that of speculation for the advance regardless of money rates, but subject to any corrective influences that may at any moment develop. And further, that unlimited funds for expansion of Canadian securities is not likely to develop until late next year.

Accounts Liquid

This is an important consideration for anyone operating in the stock market, and points the way to the consideration that stock market accounts for many months to come should be held in a liquid state to take advantage of recessions that are practically certain in face of the abnormal credit situation across the line.

That the Canadian markets are in their current strong position is due almost entirely to the strong position taken by the banks the first of the year, a position that has been surely supported by the developments the last eight months.

This is entirely apart from the predictions that The Financial Post would like to convey. It would be easy to forecast an easy money market, but this could prove of slight assistance to Canadian investors when the facts at hand warrant a real cautious attitude.

And so when we come square against the question of, "How long will tight money continue?" we are forced to acknowledge that it is a matter of eight to ten months at the least. And that an easier condition at the end of that time will depend entirely upon world monetary conditions, particularly the speculative attitude of the United States.

"When will tight money end?" If we acknowledge the advices of important bankers, high money rates are here for a term of years. And the securities markets will adjust themselves upon this basis. The most sanguine view of the situation is this: That with the liquidation of Canada's wheat crop next fall and a corrective development in the speculative situation in New York, there will be a larger amount of funds available for stock market purposes in Canada. Meanwhile, it is to be presumed that Canadian stocks will be subjected to an exhaustive market analysis which will place individual issues strictly upon a merit basis.

Ontario Equitable Death Claims Lower

During the first nine months of the present year the death claims of the Ontario Equitable Life and Accident Insurance Company amounted to $100,077.75 as compared with $207,310.17 during the same period of 1927.

Becomes Estates Officer at Can. Permanent Branch

Canada Permanent Trust Company has announced the appointment of Major Alfred G. Styles to the position of estates officer at the Saskatchewan branch office in Regina.

Major Styles has been a resident of Regina for the past eighteen years, having completed his study of law and been admitted to the bar in the year following the close of the world war, in which he was participant from its early stages, and where he had a very remarkable war record. He is well-known to residents in Regina and throughout the province of Saskatchewan, having been for some time A.D.C. to the lieutenant governor.

Hiram Walker-Gooderham & Worts, Ltd.
Canada Dry Ginger Ale, Incorporated
Steel Company of Canada, Ltd.

A circular which analyzes the financial position and outlook for these three companies will be furnished upon request.

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Gatineau Power Co. 1st Mtge. 5%, due 1956	97¼	5.18
Inter-City Baking Co. 1st Mtge. 5½%, due 1948. (Principal and interest unconditionally guaranteed by Lake of the Woods Milling Co. Ltd.)	101	5.40
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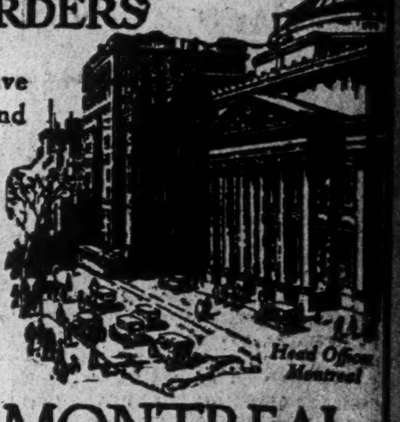

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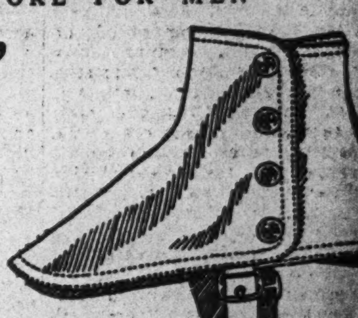

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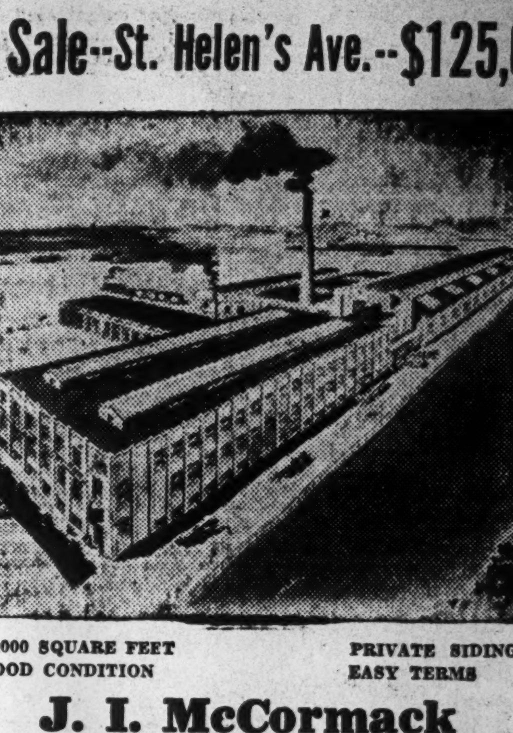

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C.P.R. Controls Assets Worth Millions More Than Figures Indicate

Enormous Acreages of Land, Vast Tracts of Timber Included in "Hidden Assets" — Smelters Investment is Notable

By GARY MOORE

Article V.

If the lands and properties of Canadian Pacific were gathered into an homogeneous domain, the many parts and parcels would constitute a tidy little kingdom, of necessity needing governing facilities that would be extensive. But this, while an exact statement of fact, is comparable to the analogies of the commonplace financial article, and means precisely nothing. It is on a par with the deduction, that if Canadian Pacific's track ties were laid end to end, they would reach their destination.

We achieve a valuable analysis of the lands and properties of the giant transportation company only when the separate items comprising the large total are listed as units and valued as such. This has been done in the tabulation presented in the accompanying panel. The addition of totals reveals that the company holds 5,469,933 acres in western and northwestern Canada. Some of these lands are timber reserves, others are capable of mineral exploitation. There are areas of proven coal. A large proportion are agricultural lands which will be sold from time to time to settlers coming into the prairie provinces, each family adding to the volume of freight to be carried by C.P.R. There are 495,434 acres of irrigated lands that are valued at approximately $18,000,000.

Mineral Rights

It is when we analyze the separate items we discover how ultra conservative is Canadian Pacific's method of property accounting. There is an item of 3,000,000 acres of coal land in Alberta; partly sold it is true, but with coal rights reserved to be developed on a royalty basis. This item is carried on the property account at $1. Additional coal lands in British Columbia, Saskatchewan and Alberta of 35,413 acres are valued at $10 per acre for a total of $354,130. Iron property in British Columbia is valued at the nominal sum of $25,000. In the matter of mineral rights the company is well protected. There are natural gas rights reserved on 100,000 acres in Alberta and petroleum rights on 50,000 acres in the same province. These items are carried at $1 each. On the former royalties received to the end of 1927 and carried in reserve, totalled $344,666. From petroleum revenues of $297,834 were received to the end of last year. This is a high return on rights valued at $2.

On improved farms in the four western provinces C.P.R. has made betterments (buildings and other improvements) to the value of $459,511. This is being repaid the company along with land instalments at the rate of 6 per cent.

Realty Holdings

When we examine the investment in real estate it is discovered that C.P.R. would make the most conservative of subdividers blush with shame. Unsold lots in British Columbia, including properties within the city of Vancouver, are listed at $3,447,732. Undivided lands adjoining townsites in this province, including Vancouver, are held at $4,500,000. A private estimate made recently, and which there is every reason to hold conservative, valued these two holdings at upwards of $25,000,000. In addition C.P.R. has subdivided sites in Manitoba, Saskatchewan and Alberta held at $6,500,000. Also undivided land adjoining town plots in these three provinces valued at $3,041,600.

Timber limits in Alberta of 17,632 acres are held at the nominal figure of $1.50 per acre totalling $26,448. In British Columbia 128,387 acres of timber and tie reserve are held at $2 per acre or $383,161. The mill and improvements at Bull River are listed at $150,000. The unsold portion of the Esquimalt and Nanaimo land grant totals 969,941 acres at $5, equaling $4,849,705.

Future Values Seen

The company's acreage of agriculture lands in Manitoba has been reduced to 169,461 acres valued at $10 for a total of $1,694,610. In Alberta holdings comprise 2,352,753 acres at $11 or $25,880,283. In Saskatchewan, 1,203,195 acres at $12 for $13,235,145. All of these far-flung properties of Canada with various others, including the demonstration farms, are held at the conservative total of $86,709,784. There is every chance for great enhancement of values here for the stockholder, for by any measurement possible the conservative valuation placed by the company means a larger equity per share in future accounting, not to mention the increase in value from future growth in the western districts of Canada.

Canadian Pacific has acquired securities of leased lines, companies controlled and not leased and miscellaneous securities, totalling at par value the huge sum of $182,020,445. These are carried on the balance sheet at $145,710,387. These comprise railroads, steamships, terminals, bridge companies, hotel companies, and stockyards and are practically all in the form of mortgage bonds. It may be held that the same conservation which prevailed in the company's valuation of other properties is continued here.

We now come to the important item of miscellaneous investments, a source of lucrative "hidden assets" and not to be confused with any securities included in the item presented above. Miscellaneous investments total at par value $47,145,750 and are carried on the books at cost, or $25,972,593. There are several items of railway shares and bonds carried conservatively and the item of Canadian Pacific Express company stock carried at the nominal figure of $5,000,000. There is no possible method of determining just how much this item is worth to Canadian Pacific, i.e., its earning power. Earnings from express company operations in 1927 might have been included in one of two items on the income account. That of income from investments and available sources totalling $3,198,275 and that of income from telegraph, news department, hotels, rentals, etc., totalling $3,303,329. However, it is certain that income from express operation was a considerable factor in whichever one of these two classifications it was placed. And that valuation of $5,000,000 on the express company is ultra conservative to an extreme.

Steamship Valuations

There is likewise no way to determine the value of Canadian Pacific's vast holdings in steamships and facilities used in ocean and coast shipping. The only clue to such a valuation, and a minor one at that, is the valuations at par of first mortgage bonds of Pacific Steamships and Pacific Coast Steamships. The first is 720,000 pounds or $3,504,000 and the second 225,000 pounds or $1,095,000 a total of $4,599,000. This is simply the mortgage bonds on the two Pacific operations and is no substantial clue to the value of Canadian Pacific's water transportation values. From this item alone income in 1927 totalled $2,442,129. If this was but five per cent., income from property investment the hypothetical valuation would be $12,210,645. However, this is purely assumption and there are no indications that the company's steamships would not greatly exceed this figure.

Some Canadian Pacific Assets

Statement of Assets in Lands and Properties as of December 31, 1927

	Acres		
Manitoba—			
Agriculture lands	169,461	at $10	$ 1,694,610
Saskatchewan—			
Agriculture lands	1,203,195	at $12	13,235,145
Alberta—			
Agriculture lands	2,352,753	at $11	25,880,283
A.R.I. (500,000 tract with government)	29,254	at $ 5	146,270
Irrigated Lands in Alberta:			
Western Alberta	53,205	at $30	1,596,150
Eastern Alberta	372,699	at $40	14,907,960
A.R.I. section	12,172	at $40	486,880
Land in Irrigation	......	.....	225,000
Timber in B. C.	128,387	at $ 3	385,161
A. R. I. Timber Alberta	17,632	at $ 1.50	26,488
Bull River Mill	......	.....	150,000
British Columbia—			
Coulbian and Kootenay	31,618	at $ 2	63,236
Esquimalt-Nanaimo	969,941	at $ 5	4,849,705
Subdivided sites	......	.....	6,500,000
Unsubdivided	......	.....	10,989,332
Coal in Alberta	......	.....	1
Other coal	......	at $10	354,130
Iron Property	......	.....	25,000
Natural gas rights	......	.....	1
Petroleum rights	......	.....	1
Buildings, Imp.	......	.....	459,511
Livestock	......	.....	7,715
Total	5,469,933	.....	$86,709,784

Consolidated Smelting

We now come to the item of Consolidated Mining and Smelting stock, one of the most profitable investments ever made by any railway company. For aside from the increase in valuation, Canadian Pacific has already received from Smelters in dividends more than the original investment by several millions.

Consolidated Mining and Smelters is one of the largest operations of its kind in the world. It has outstanding 508,863 shares of $25 par value. Of these Canadian Pacific holds in its treasury 249,166 shares, sufficient to give control. The market value of these shares at this writing is $262. C.P.R. holds these shares on its books at $6,229,150 or par ($25). There is nothing to indicate that the shares were not purchased cheaper even than the par value. But in view of Canadian Pacific's conservative method of listing securities at par when the cost is lower—as indicated by the par value of miscellaneous securities at $47,145,750 with cost at $25,972,593—such must be held to be the case. Which is to say that the average of Canadian Pacific's purchases of Smelters was below par. However, this is a small item compared with the tremendous appreciation in market value—the only true estimate of valuation.

While C.P.R. lists its Smelters holdings at $6,229,150 the current market valuation is $71,281,492—an appreciation in investment of $65,052,342. It might be emphasized in passing that this represents increased equity for the stockholder that has never been capitalized.

Dividends from Smelters

Smelters began dividends in 1923 following the year 1922, when nothing was paid. Since that time dividends have increased yearly as the following table reveals:

Dividends by Consolidated Mining and Smelting:

1923	$ 632,032
1924	641,043
1925	3,238,054
1926	5,078,493
1927	6,358,875
Total	$15,948,487

Of this total of $15,948,487—averaging $31.26 per share for the five years included—Canadian Pacific has received $7,788,929.16.

Conservative Mine Finance

To estimate the further valuation of a mining property must needs be hazardous, even for an expert mining engineer. This is entirely outside the province of the investment analyst which has to do with current values. However, in the case of Canadian Pacific's investment in Smelters, there is nothing to indicate that the company will not receive a continuation of profits for a considerable number of years. Smelters holdings of reserve ores are extensive. The management of the company has proven its worth. The same conservative method of bookkeeping characteristic of C.P.R. has prevailed. There has been ample reserves for depreciation and provision for depletion of mineral properties.

The following table shows charges against depreciation:

1922	$ 405,145
1923	805,224
1924	1,051,414
1925	1,123,758
1926	1,354,233
1927	1,565,835
Total	$6,305,609

This process of setting up reserves against the future has been carried farther with additions to property through profit and loss and contingent reserves.

Additions to Property

The following additions to property through profit and loss have been made:

1925	$3,560,794
1926	2,274,772
1927	3,590,508
Total	$7,426,074

Added to this is one million added each of the last three years to contingent reserve, bringing the total of depreciation, property through profit and loss and contingent reserves for the last six years to $16,731,683. Truly a conservative appreciation of a property which in 1927 produced through sales of smelter products $31,438,566 and lists its total assets at $48,381,440.

The above analysis of miscellaneous investments of Canadian Pacific reveals that stockholders may hold current equity valuation of $183 per share and market valuation of $218 to be conservative to a degree.

Homestead Entries Large

Homestead entries for August are almost three times as numerous as those of the previous August, at 1,884 compared with 658, while filings for the first eight months of the current year are more than double those of the similar period last year, being 8,618 compared with 4,293. For August the figures (with those of last year in brackets) are: Manitoba 37 (58), Saskatchewan 733 (283), Alberta 1,048 (297), and British Columbia 66 (20). For the eight months' period the figures are: Manitoba 348 (466), Saskatchewan 2,811 (1,901), Alberta 4,976) (1,856) and British Columbia 483 (70).

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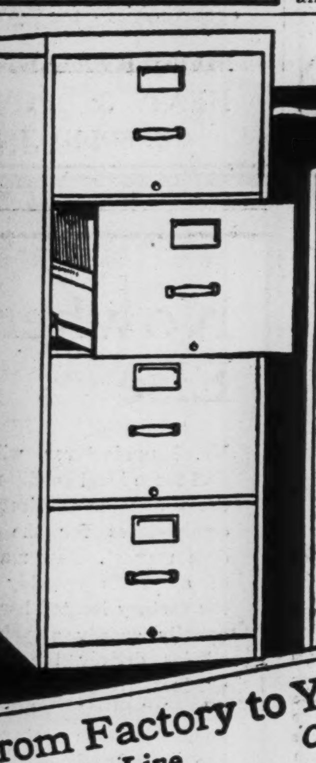

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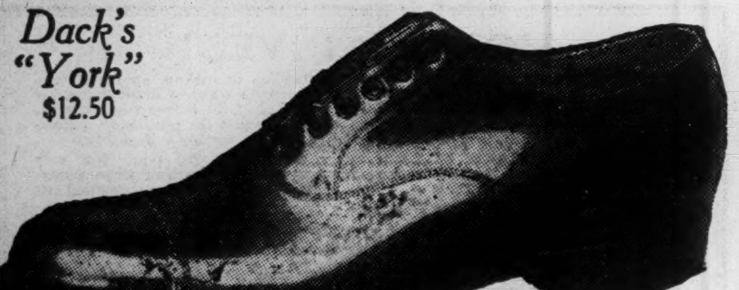

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Public Utility Investments

CALGARY POWER REPORT REVEALS BETTER POSITION

Will Carry Out Financing to Take Care of Developments

EARNINGS HIGHER

Aggressive Policy Adopted by Company Has Led to Expansion of System

From Our Own Correspondent

MONTREAL.—Although the financial report of the Calgary Power Company for the year 1927 does not give any valid reasons for the recent sharp advance in the market value of the securities of this company, it nevertheless reveals the healthy financial position of this mid-west utility company.

Gross earnings from operations and other income during 1927 totalled $496,583, as compared with $450,962 in the preceding year. After the deduction of operating expenses, depreciation and bond interest and provision for income tax, etc., there remained a net profit in 1927 of $129,594, as against $125,427 in the preceding year. After having brought forward $584,050 from 1927 the profit and loss account stood at $713,644 from which a dividend of $23,750 was paid leaving a balance of $689,894.

Balance Sheet Changes

The balance sheet shows a number of interesting changes. Current liabilities amounting to $687,853 exceeded current assets by $487,316, whereas at the end of the previous year the company had $156,054 of working capital. The change in net liquid position by the end of 1927 is more than accounted for by the increase of $790,402 in fixed assets, reflecting expenditures made on new acquisition and construction made by the company during the last year. Reserves show an increase of about $80,000 and the profit and loss surplus about approximately $105,000.

Expanding System

In its remarks to the shareholders, the management draws attention to the aggresive policy of extension which has been put into force during the past year. In 1927, contracts were entered into for the interchange of power with Lethbridge and distribution systems were acquired or built in a number of towns. The main 66,000 volt transmission line south of Calgary was extended from High River to Lethbridge a distance of 72 miles and 195 miles of 13,000 volt-line serving towns and rural districts were built.

In all there was expended on capital account during 1927 the sum of $790,402, the requisite funds being provided partly from surplus earnings, partly by liquidation of investments, and the balance by loans from banks.

The same policy as regards the extension of the company's system is being carried out this year, with the result that by the end of 1928 the company will have about 1,000 miles of transmission lines in operation and will be supplying over 80 towns and villages, as well as wholesale power to the cities of Calgary, Lethbridge and other smaller communities.

Acquire New Properties

The company has recently purchased the entire capital stock of the Calgary Water Power Company which has been supplying electricity retail in a substantial section of Calgary since 1888, and the entire capital stock of the United Electric and Engineering Company which operates about 100 miles of transmission lines supplying Bassano, Gleichen, Strathmore and a number of other villages.

A new contract has recently been executed with the City of Calgary whereby the company has taken over the operation of the city's reserve steam plant and contracted to supply the entire power requirements of Calgary until 1940.

Reference is made in the report to the rapidly growing load in the constantly expanding territory served by the transmission lines of the company which necessitates immediate construction of a further hydro electric power plant and arrangements have been made with the Dominion Government for a license to develop the Ghost-Radnor power site on the Bow River, some 28 miles west of Calgary. An initial installation of 36,000 horsepower is contemplated, being part of an ultimate installation of 64,000 horsepower installed capacity at these sites.

It is proposed to increase the authorized capital stock, sanction to be asked at a special meeting of the shareholders, from $3,000,000 to $10,000,000 divided into $5,000,000 common stock and $5,000,000 6 per cent. cumulative redeemable preferred stock.

In order to retire the outstanding bank loans incurred in connection with the extension and acquisition referred to above the directors propose to carry into effect arrangements already made for the issue of $2,500,000 par value preferred stock and will also issue an additional $600,000 par value common stock.

The following is the comparison of profit and loss figures for the past two years.

	1927	1926
Gross earn. from oper.	$494,908	$430,689
Other income	1,675	20,273
	$496,583	$450,962
Oper. expenses	158,689	126,007
Net earnings	$337,894	$324,955
Depreciation	60,000	50,000
	$277,894	$274,955
Bond interest	137,472	139,508
	$140,422	$135,447
Provision for inc. tax.	10,828	10,020
Net profit for year	$129,594	$125,427
Previous surplus	584,050	458,623
	$713,644	$584,050
Dividend paid	23,750	......
P. & L. balance	$689,894	$584,050

Public Utility Earnings

Northern Mexico Power & Development

	1927	1928	Increase
August—			
Gross	$ 124,443	$ 137,067	$12,623
Net	101,524	113,855	12,330
For Eight Months—			
Gross	$1,022,660	$1,061,747	$39,087
Net	855,649	883,545	27,896

Northern Power Earnings Higher in Current Year

From Our Own Correspondent

MONTREAL.—Earnings of Canada Northern Power for the current year are running well ahead of those for 1927. August last shows gross profits of $252,278, an increase of $26,188 over the same month a year ago. Operating expenses increased from $69,689 to $75,659, leaving net earnings of $176,618 for August, 1928, as compared with $156,400 for the same month a year ago.

Cumulative results for the first eight months of this year are even better, gross earnings amounting to $2,043,809 as against $1,818,457 in the corresponding period of 1927, an increase of $192,979. After deducting operating expenses of $579,614 the past eight months show a net profit of $1,464,195. This compares with a net of $1,271,216 in the January-August period of 1927.

The satisfactory increase in profits of Canada Northern Power this year, has been largely due to the increase in mining activity in Northern Ontario, especially the Kirkland Lake Area, and Northern Quebec. The company controls practically all the power now being used in the mines in these districts.

The starting up of operations by Noranda provided a large increase in earnings for a subsidiary of the mining power group—Quinze Power Company.

STREET RAILWAYS BETTER POSITION DURING PAST YEAR

Few Are Meeting More Than Funded Debt Obligations

From Our Own Correspondent

MONTREAL. — While the motor bus and the use of the automobile for personal transportation has grown enormously in recent years, electric railways operating in Canada have been able to more than hold their own, judging by the report on operations for 1927 issued by the Bureau of Statistics.

According to the report electric railways carried 781,398,194 fare passengers in the past year, which was an increase over the preceding year of 32,687,358, or 4.4 per cent. There was practically no change from 1926 in the average fare which was 6.25 cents and, with heavier traffic, passenger revenue increased by $1,993,038. Other sources of revenue did not show as high rates of increase and freight and other car earnings showed decreases, so that total revenues were larger by only $1,783,202 or 3.4 per cent.

Operating expenses were heavier than in 1926 by $1,162,858, the large increase being $823,249 in operation of cars. All motor bus expenses are included with other transportation expenses which explains the rapid increase in this account during the past three years.

Advertising Costs Up

Another account showing a large relative increase was advertising which increased by $26,230, or 24 per cent. This was undoubtedly necessary on account of the increased competition of the private and public automobile and motor bus.

In the past few years, the majority of Canadian electric railways have established motor bus routes, which function as feeders to existing rail lines. The Toronto Transportation Commission and the Winnipeg Electric operate buses on which street car tickets are accepted and they do not segregate the revenue from the bus operation. Any total which did not include the revenues of these systems would be of little value, but all railways operating buses have kept a record of the mileage and during 1927 the total bus mileage was 8,263,498.

Small Systems Decline

Although there was a net increase in the passenger traffic of all the railways, many of the smaller systems showed a falling off in the number of fare passengers carried.

The Peterboro Radial ceased operations on March 31 and the Chatham, Wallaceburg and Lake Erie ceased operating passenger cars on July 1, but continued a freight service. The Schomberg and Aurora, a branch of the Toronto and York Radial, also ceased operations on June 20 and the Kitchener and Bridgeport railway, which was purchased October 1, 1923, by the city of Kitchener was operated along the Kitchener and Waterloo Railway as the Kitchener Public Utilities Street Railway department.

Few Make Profit

The aggregate gross revenues received by all electric railways in 1927 was $53.506,401 and net operating income $15,889,833. This compares with $51,723,199 and $15,269,490, respectively, in the preceding year.

After paying all charges, a surplus of $9,419,592 is reported for the year. Details reveal the fact, however, that 26 out of the 60 reporting companies had a deficit and that only 7 paid dividends on capital stock.

International Paper Construct New Bag Mill at Mobile

International Paper Company has commenced construction of a paper bag plant at Mobile, Alabama, which will have an annual capacity of about 28,000 tons of grocery bags and printed specialties.

The plant is being built by Continental Paper & Bag Corporation, a subsidiary of International Paper Company, in conjunction with the kraft paper mill which the International is erecting at Mobile, and will use a portion of the product of that mill in the manufacture of paper bags.

The Mobile plant is the eighth paper bag plant of the company, the others being at Rumford Falls, Maine; Brooklyn, New York; Wellsburg, West Virginia; Camden, Arkansas; Bastrop, Louisiana; Marinette, Wisconsin; and Ottawa, Ontario. The Camden plant—now nearing completion — and the Wellsburg plant are owned by the George & Sherrard Paper Company—another subsidiary of International Paper—and the other plants are owned and operated by Continental Paper and Bag Corporation.

B.C. POWER "A" ON $2 REGULAR DIVIDEND BASIS

May Change Company from Holding to Operating Concern

From Our Own Correspondent

MONTREAL. — Payment was made this week of an initial quarterly dividend of 50 cents a share on the Class "A" stock of British Columbia Power Corporation, of which 60,000 were offered to the public a few months ago, with a bonus of Class "B" stock. This places the stock on a $2 dividend basis.

It is understood that earnings of the corporation for the first three months of the new fiscal year which commenced July 1, showed a substantial increase and warranted earlier dividend payment than was intended.

At the time of the original offering net earnings for the year ended June 30, 1928, after all prior charges and after allowing for depreciation, were $2,000,000 and although official statements are not yet available, it is understood that actual earnings were slightly in excess of this figure, while for the first quarter of the present fiscal year earnings show a substantial increase over the corresponding period of 1927.

Change Domicile

So far no statement has been given out by the company with regard to the payment of English income tax on its income from the British Columbia Electric Railway. This latter concern is still an incorporated English company and has to pay the British income tax on profits accruing from its operations, which are virtually exclusively Canadian.

It is generally agreed that steps will be taken to transfer the domicile of the company from England to Canada to eliminate the necessity of paying the income tax. To do this some arrangement would have to be made to satisfy the holders of the Columbia Electric Railway.

It is mentioned in one quarter that British Columbia Power Corporation may be changed from a holding to an operating company. This would necessarily mean a change in the capital set up to take in the securities outstanding at present of British Columbia Electric Railway.

As in previous years, the annual meeting of the British Columbia Electric Company will be held in London early in December and it is possible then that some statement will be forthcoming in regard to making it a Canadian concern.

Quebec City Tourist Revenue Reaches Record Proportions

From Our Own Correspondent

MONTREAL. — Over three-quarters of a million tourists who visited the city of Quebec during the course of the summer months left behind them some $6,125,000, this estimate being compiled at an average of seven dollars per day per person.

Unofficial figures made public by the Quebec Automobile Club show that roughly 500,000 tourists came into the city by automobile, the remainder travelling by train and boat.

The amount they spent was $1,125,000 more than last year, when the estimate was an even $5,000,000, while the number of cars bearing American license plates which made their way into Quebec City totalled 120,000, an increase of some 17,000 over last year.

Official figures for the Province show that 336,862 cars crossed the line in 1927, as compared with 370,548 during the course of the past summer.

Hotel owners were estimated to have received about 22 per cent. of the total amount expended in this city, the remainder being spent in various souvenir and other stores.

Quebec Power Consider New Dividend Rate

From Our Own Correspondent

MONTREAL. — Renewed interest in the stock of Quebec Power is due to the report that the dividend on the common will be increased from $2 to $2.50 a share. Action along this line would follow that taken in the case of Shawinigan and Montreal Power, the former having declared a 10 per cent. stock bonus and the latter an increase of 50 cents in dividend rate.

As the same interests are behind all three companies, considerable credence is given to this report, though no official confirmation con be obtained. Unless the company is able to show a substantial increase in earnings this year, it is difficult to understand how the dividend can be increased to $2.50.

Last year Quebec Power earned $2.13 a share on the 400,000 shares of no par stock outstanding. To pay the proposed dividend, on 504,750 shares now issued, the company would have to show net profits of more than $1,261,000. For the year just passed, the surplus available for dividends totalled $856,227.

If anything is done for the shareholders, it will more likely be rights to new stock, rather than an increase in dividend rate.

MONTREAL POWER PLAN BIG STATION

Will be Company's Largest and Involve Outlay of $600,000

From Our Own Correspondent

MONTREAL. — Arrangements have been completed by Montreal Light, Heat and Power Consolidated for the construction of the largest sub-station of the company. It will be a combination outdoor and indoor station. Power up to 60,000 h.p. will be received at this sub-station, transformed and distributed to customers.

Ample land has been purchased. Present plans are for the construction of one unit, but there is enough land for four units. Additional units will be added when the demand calls for them. Work on the present unit is already started, and is scheduled for completion next year.

Heavy Expenditure

Money to be spent on the expansion will run into a substantial amount. The land cost $96,000 while the indoor station to be built will cost over $100,000. The outdoor steel structure and other equipment costs will also run into big figures and altogether it is esimated that several hundred thousand dollars eventually will be spent on the project.

There are three branches to the unit now being built. One outdoor skeleton steel work will be for the reception of the power; another outdoor set will be for distribution of large supplies of power such as will be taken by the neighboring waterworks, factories, municipal purposes, etc. The third branch will be the indoor building for distribution of smaller quantities,

International Power Put Common on Paying Basis

From Our Own Correspondent

MONTREAL.—At a meeting of the board of directors of International Power Securities Co., the common stock of the company was put on a $1 dividend basis. For the year 1928 a dividend of $1 per share was declared payable December 15 to holders of record December 1st.

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These issues bear our recommendation.

		Maturity	Price	Approx. Yield
Cdn. Power & Paper Investments	5%	1958	100.00	5.00%
(Carrying bonus of 10 shares Common Stock with each $1,000 Bond)				
Canada Northern Power Corp.	5%	1953	98.50	5.10%
Manitoba Power Co. Ltd.	$5\frac{1}{2}$%	1951	103.00	5.20%
Alexander Building Corporation	6%	1947	100.00	6.00%
Power Corporation of Canada	6%	Pref.	102.00	5.85%
Foreign Power Securities Corp.	6%	"	97.00	6.20%
McColl-Frontenac Oil Company	6%	"	91.00	6.50%
Reliance Grain Company	$6\frac{1}{2}$%	"	99.00	6.55%
Windsor Hotel Limited	$6\frac{1}{2}$%	"	96.00	6.85%
British Columbia Power Corp. Ltd., Class "A" and "B" Common Shares (no par value)				Market

We will be glad to give detailed information regarding these investment securities.

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LIMITED
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Montreal Quebec Ottawa Hamilton London, Ont. Winnipeg Saskatoon Victoria Vancouver

Take First Move to Harness Bay of Fundy Tide Power

From Our Own Correspondent

MONTREAL.—A step forward in the project for harnessing the tides of the Bay of Fundy, is seen in the announcement that the Canadian Dexter P. Cooper Company has deposited with the various public authorities a description of the site and the plans of a dam, locks and gates forming a part of a power development proposed to be built at Passamaquoddy Bay at Letite, N.B.

The projected dam is to be constructed so as to supply "certain islands in Letite Passage, Little Letite Passage and Doyle Passage to Deer Island and from Deer Island to the international boundary between Canada and the United States."

After the expiration of one month from the date of publication of the announcement, the company will apply to the Minister of Public Works for approval of the site and plans and for permission to construct a dam, locks and gates to carry on the development of power.

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Ship Apples to New York

Of the British Columbia apple crop now being harvested in the Okanagan Valley it is expected that 150 carloads will go direct to New York, although the principal market will be in the Prairie Provinces. An estimate of the crop is given at 1,250,000 boxes from the Okanagan and Kootenay districts. The apples are of excellent quality and the yield is the best in years.

News of Investment Markets

SERVICE STATION'S PREFERRED STOCK QUICKLY TAKEN UP

Offered 6 per cent. Issue To Finance Bennett Pumps Deal

Purchase of the Bennett Pumps Corporation by Service Station Equipment Company is being financed by the issuance of $1,500,000 of new preferred stock. The issue was offered this week by A. E. Ames and Company and has been entirely taken up.

Circular offering the issue has some comments to make upon the Bennett Pumps purchase. It states that the company "Is now acquiring the common stock (the acquisition of 80 per cent. of which is assured) of the Bennett Pumps Corporation, Muskegon, Mich., manufacturers of oil and grease equipment and small gasoline and kerosene pumps. Through these acquisitions the company is now one of the outstanding manufacturers of service station equipment on the American Continent. As the company's former name was not sufficiently inclusive, it was changed in 1927 to Service Station Equipment Company, Limited.

"The purchase price for the capital stock of the subsidiary companies referred to above was based, in addition to the acquisition of substantial tangible assets and efficient manufacturing organizations, on the present and prospective earning power.

"It is the intention of the company to add to the operations of Bennett Pumps Corporation the manufacture of the larger sized gasoline pumps in the United States, and in view of the parent company's successful experience in this line in Canada, it is anticipated that the efficient manufacturing ability and experienced widespread selling organization of this subsidiary will open further profitable fields for the distribution of the company's products in the United States."

In connection with the stock offering an estimate of earnings for the current year is made. The president estimates these at above $800,000, which would be the equivalent of $4.79 a share on the "A" and "B" shares after payment of the dividend on the preferred shares.

The new preferred stock is convertible into "A" stock on the basis of two for shares of "A" for each share of preferred.

Details of the issue follow:

$1,500,000
Service Station Equipment Company
6% Cumulative Convertible Preference Stock
Par Value $100

Capitalization—	Authorized	To be Outstanding
6% Cum. pref. stock non-voting	$1,500,000	$1,500,000
Class "A" stock, no-par, non-vot.	150,000 shs.	‡98,220 shs.
Class "B" stock, no-par, voting	50,000 shs.	50,000 shs.

‡—Out of the balance of the authorized class "A" stock, of no-par value, 30,000 shares are to be reserved for the conversion of the cumulative convertible preference stock.

Business—Manufactures in Canada and the United States machinery and pumps for gasoline service stations.

Assets—Upon completion of financing total net assets of $4,378,111.

Earnings—For current year, estimated at $53.33 per share on preferred and $4.79 on "A" and "B" common after paying preferred dividends.

Conversion—Convertible into "A" common at rate of two "A" for one preferred.

Price—$100., yielding 6 per cent. Offered by A. E. Ames & Co., October, 1928.

This Week's Bond Sales

Victoriaville, Que.

Rene T. Leclerc, Inc., were awarded an issue of $75,000 Victoriaville, 5 per cent, 10-installment bonds on a bid of 99.211. The bids were:

Rene T. Leclerc, Inc.	99.211
Credit Anglo-Francais	98.66
Bank Canadienne Nationale	98.62
Versailles, Vidricaire & Boulais	98.26
Societe Generale de Finance, Inc.	98.27

Edmonton Schools

An issue of $330 000 6 per cent. 40-year Edmonton School bonds has been awarded to the Canadian Bank of Commerce on a bid of 98.04, which is equal to a cost basis of 5.11. The bids were:

Can. Bank of Commerce	98.04
Royal Trust Co.	97.18
Bank of Montreal	96.63
Wood, Gundy & Co.	96.53
Bell, Gouinlock Co., and Dyment, Anderson & Co.	96.07

Grand'Mère, Que., Issue

An issue of $50,000, 5 per cent., 30-year serial school bonds of Grand'Mère, has been awarded to Rene T. Leclerc, Inc., at 99.161, which is equal to a cost basis of 5.07 per cent. The bids were:

Rene T. Leclerc, Inc.	99.161
R. G. Beaubien & Company	98.62
La Societe Generale de Finance, Inc.	98.27
Versailles, Vidricaire & Boulais	93.83
Wood, Gundy & Co.	97.90

Township of East Whitby

The Township of East Whitby has sold by tender $70,000 of school debentures, bearing 5½ per cent. and maturing in thirty instalments, to Dyment Anderson & Co.

The bids are as follows:

Dyment, Anderson & Co.	104.04
Bell, Gouinlock & Co.	103.03
R. A. Daly & Co.	102.79
C. H. Burgess & Co.	102.57
Wood, Gundy & Co.	102.40
J. L. Graham & Co.	101.86
Matthews & Co.	100.82

Tenders and By-laws

Oct. 20.—County of Peel.—$14,500, 5%, 10-instal. debentures. W. M. Willis, clerk, Brampton.

Oct. 27.—Forest.—$10,000 5%, 20-instal. debentures. W. J. English, clerk. (See announcement on page 20).

Oct .30.—Greenfield Park, Que.—$25,000, 5%, coupon bonds, due serially until May 1, 1943. E. J. Allwright, sec.-treas.

Oct. 30. Village of Swansea.—$109,919, 5%, 10 and 20- instal. local improvement debentures. N. L. Ivey, clerk.

Saskatchewan

Authorizations Granted by the Local Government Board from Sept. 29 to Oct. 13, 1928

Schools—Assiniboia, No. 812, $5,500; Zenon Park, No. 834, $6,000; Pandora, No. 4776, $3,300; Happy, No. 4770, $4,500; Oxarat, No. 4479, $3,800; Eddyside, No. 1954, $2,500; Knox, No. 826, $1,000.

Rural Telephones—Martin, $700; Schneider, $375; Bruno Village, $2,750; Punnichy Village, $1,000; Strasbourg Town, $4,500.

Debentures Reported Sold

Schools—Bridgeford, No. 1649, $6,000, 20-yrs. 5¼%, Great West Life Insurance, Winnipeg; Kelstern, No. 4610, $4,500, 10-yrs., 5⅞%, Waterman-Waterbury Mfg. Co.; Una, No. 4759, $3,500, 15-yrs., 5⅞%, Waterman-Waterbury Mfg. Co.; Baldwinton, No. 4762, $4,500, 15-yrs., 5½%, Waterman-Waterbury Mfg. Co.; Dravland, No. 947, $1,000, 10-yrs., 5½%, McIlrath Lumber Co., Radville; Tiger Hill, No. 1516, $4,500, 15-yrs., 5½%, Houston, Willoughby & Co., Regina; Kingston, No. 1647, $4,000, 151prs.; 6%, Houston, Willoughby & Co., Regina; Bond, No. 1654, $3,000, 15- yrs., 5⅜%, Locally.

Rural Telephones—Whiska Creek, $950, 10-yrs., 5½%, Locally; Manitou Lake, $4,000, 15-yrs., 5⅝%, Houston, Willoughby & Co.; Hoey, $2,000, 10-yrs., 5¾%, Houston, Willoughby & Co.; Pinto Creek, $1,000, 6¼%, H. M. Turner & Co., Regina; Glenrose, $2,000, 10-yrs., 5½%, H. M. Turner & Co., Regina; Bienfait, $2,650, 15-yrs., 6½%, H. M. Turner & Co., Regina; Kenlis, $2,800, 10-yrs., 5¾%, H. M. Turner & Co., Regina; Beaver, $1,650, 8-yrs., 5%, Mrs. E. Fleck, Yorkton; Willow Bunch South, $17,700, 15-yrs., 5¾%, J. Burnett, Regina; Coney Island, $4,800, 15-yrs., 6%, J. Burnett, Regina; Willow Bunch Harptree, $4,900, 15-yrs., 6%, J. Burnett, Regina; Country Club, $9,850, 15-yrs., 6%, J. Burnett, Regina.

Private and London Sale New Trend in Financing

Action of Provinces and Municipalities May be Followed for Some Time Until New York Money Rates Decline

From Our Own Correspondent

MONTREAL. — Provincial and municipal bond sales in the past few weeks have exhibited a new trend in financing. The borrowing of Ontario in the London market was the initial break in the otherwise standardized method of financing and the private sale quickly followed.

It has been many years since any borrowing was done in London by either the provinces or the Dominion. One or two small corporation issues have been placed on the English market, the total being insignificant in comparison with the aggregate volume of financing carried out in this country and the United States.

The general tendency in recent years has been pessimistically to concur in Canadian borrowings being negotiated in New York on the ground that such was an inevitable consequence of the world's financial affairs arising out of th war.

High Money Detracts

The costliness of money in the New York market was the dominating influence in Ontario's decision to borrow in London. If money does not become cheaper in New York, it willl not be surprising to see further Canadian financing going to the Old Country and restoring pre-war conditions in spite of the United States bulging coffers.

In commenting upon the Ontario loan, one English paper pointed out that in recent years British bond holders have sold their oversea loans heavily, but the curious fact is that United States investors in Dominion loans, in many instances, have sent their holdings to England for sale—this resulting in British investors finally holding bonds which might originally have been floated in London at good prices, if placed originally here.

The sale of provincial and municipal bonds privately, lately, might also be attributable to dear money in New York. Since mid-summer, Alberta, Manitoba and British Columbia have sold bonds privately to Canadian syndicates, while the city of Winnipeg has followed the same course.

In each instance an attractive price was received by the borrower, when consideration is taken of the over-development state of the bond market.

May be Temporary

It is questionable whether the private sale will become an established practice in provincial and municipal financing. Competitive bidding during an active market is undoubtedly the best means of selling an issue of bonds, but when the market is dull and sluggish, such as during the past few months, the private sale is preferable.

With the redemption of $53,000,000 of Federal bonds this month and the calling in of a large number of corporate bond issues before the year end, large sums of money will become available for reinvestment. While a fair proportion of this capital will go into the stock market, the major share will undoubtedly be placed in bonds.

Outlook Good

This should result in a stronger market for bonds, both government and corporate, in the next few months. It will hardly mean an increase in prices while money rates in New York remain high. If call money goes back to its former levels, then a strengthening of bond prices should take place.

It is reasonable to assume that any major provincial or municipal financing will either be done privately through Canadian syndicates or in London for the time being.

Bond Notices

All the outstanding 8 per cent. consolidated mortgage sinking fund gold bonds, Series "A," of Abitibi Power and Paper Company, will be redeemed on November 1 next at 107½.

BOND REDEMPTIONS

	Rate	Due	Redeem.	Price
St. Law. Paper Mills 10-yr. debs.	6½%	1929	Jan. 2	102
Que. R. L. H. & P.	5%	1939	Dec. 1	105
Canada Vinegars	6½%	1945	Dec. 1	105
Drummond Invest.	6½%	1938	Nov. 1	105
Mercury Mills	6½%	1942	Nov. 15	105
N. Bawlf Grain Co.	6%	....	Dec. 1	100½
Howard Smith	6%	1934	Dec. 1	105
Brompton P. & P.	6%	1935	Nov. 1	105
Rolland Paper	6%	....	Jan. 2	105
Consumers Glass	6%	1935	Nov. 1	100
Lake Superior Paper	6%	1941	Mar. 1	105
Ft. William Pap. Co.	6%	1946	Nov. 1	104½
Page Hersey Tubes	6%	1926	Dec. 1	105
Consumers' Gas	6%	1920	Nov. 1	100
Kam. Paper Co.	5½%	1940	Nov. 1	104
Rolland Paper	6%	1932	Jan. 2	105
Bawlf Term.	6%	1947	Dec. 1	101½
Can. Vinegars	6½%	1945	Dec. 1	105

PANAMA BANK BONDS OFFERED

Vancouver House Handles Interesting Southern Issue

From Our Own Correspondent

MONTREAL. — Official offering is made this week by Royal Financial Corporation, of Vancouver, of $1,000,000, 6½ per cent. 20-year (Series "C") gold bonds of the Banco Nacional de Panama, guaranteed by the Republic of Panama. These bonds, in addition to being a direct obligation of the National Bank and bearing the guarantee of the republic, are specifically secured by real estate mortgages given for loans made by the bank, with an aggregate principal amount not less than 110 per cent. of the amount of bonds.

Particulars of the issue follow:

$1,000,000
Republic of Panama
Guaranteeing
Banco Nacional de Panama
6½% 20-year (Series C) Gold Bonds

Dated: April 1, 1928. .. **Due**: April 1, 1948.

Security: Secured by (a) real estate first mortgages; (b) guarantee by the Republic; (c) direct obligation of the Bank.

Sinking Fund: Beginning April 1, 1929, $50,000 a year for buying bonds on the market or calling bonds at call price.

Purpose of Issue: Proceeds will be used for investment in real estate first mortgages.

History of Bank: Organized in 1904 and its entire capital issue is owned by the Republic. On December 31, 1927, paid-up capital of the bank was $837,446 and reserve fund $939,563.

Offer: Royal Financial Corporation at 99 and accrued interest.

CALGARY POWER OFFER PREFERED STOCK TO PUBLIC

Proceeds to Finance Plan of Expansion and New Properties

From Our Own Correspondent

MONTREAL.—An issue of $2,500,000 6 per cent cumulative redeemable preferred stock of Calgary Power Company, is being offered this week by Royal Securities Corporation in Canada, New York and London.

This company is by far the largest light and power concern in Alberta, the output of its hydro-electric plant in 1927 having exceeded the combined production of all other electric power plants in the province.

It supplies 33,000 customers directly or indirectly through its own and municipal distribution systems. By the end of the current year the company will be distributing power and light to more than 80 communities in Alberta with a combined population of approximately 150,000.

Big Program Planned

The present financing will be used in part to cover cost of acquisition of the Calgary Water Power Company and the Union Electric and Engineering Company and in part to meet expenditures on extensions to transmission lines now under construction.

Details of the issue follow:

$2,500,000
6% Cumulative Redeemable Preferred
(On completion of this financing)

Capital—	Authorized	Outstanding
5% First Mortgage Sinking Fund Bonds	$3,000,000	*£552,200
6% Cumulative Redeemable Preferred Stock	5,000,000	$2,500,000
Common Stock (now paying 5% annual dividend)	5,000,000	2,500,000

*$2,687,373.

Company: Generates and distributes electric power in Alberta. In 1927 plants produced 80,000,000 kilowatt hours. It supplies 33,000 customers directly and indirectly.

Business: Supplies Calgary with major portion of power requirements; power supplied wholesale to Lethbridge, Red Deer, Ponoka, Vulcan, and Canada Cement plant at Exshaw. Retails to Magrath, Taber, Diamond City, Granum, Claresholm, Stavely, Nanton, High Rover, Olds, and other towns and villages.

Properties: Company has in operation two plants with installed capacity of 32,000 h.p. Steam plant of Calgary Water Power Company, a subsidiary, has installed capacity of 4,000 h.p., and Victoria steam plant, leased and operated as standby, has an installed capacity of 14,000 h.p. Company is now going ahead with the development of the Ghost and Radnor power sites with an initial installation of 36,000 h.p., and ultimate installation of 64,000 h.p.

Purpose of Issue: Proceeds will be used to cover cost of Calgary Water Power Company and other distributing systems, and for corporate purposes.

Value of Assets: As at August 31, 1928 fixed and net current assets, after deducting depreciation reserve of $908,936, had a combined book value of $8,497,387.

Earnings: Net earnings in 1927 amounted to $129,594, as compared with $125,427 in 1926, and $113,336 in 1925. For the eight months ended August 31, 1928, gross earnings totalled $516,662, compared with $307,809 in the same period of 1927. 1928 figures include five months earnings of Calgary Water Power Company.

Development Program: Company has under way extensive plan for expansion of its transmission systems, both in Northern and Southern Alberta, which will provide it with a much larger market for its power output.

Listing: Application will be made to list these shares on the Montreal Stock Exchange. Common is listed on the Montreal and London stock exchanges.

Offer: Royal Securities Corporation at 87½ and accrued dividend, to yield 6.15 per cent.

FAIRBANKS-MORSE CLEAN UP ARREARS PREFERRED STOCK

Business in Past Eighteen Months Has Been Excellent

From Our Own Correspondent

MONTREAL.—Arrears which had accrued on the preferred stock of Canadian Fairbanks-Morse Company, have been fully discharged as a result of the action of the directors declaring a further special dividend of six per cent., payable on December 15 to holders on record of November 30.

This action was brought about due to the strong liquid and cash position which the company has achieved in the past year. For the first nine months of this year operations are understood to have been exceedingly good, with a corresponding increase in profits. Following upon a successful year in 1927, the directors decided upon cleaning up the arrears on the preferred.

Arrears Since 1924

Due to the low ebb of business in its lines which prevailed for several years and the necessity for substantial post-war adjustments on its affairs, the company allowed these dividends to fall into arrears when the semi-annual disbursement became due in July, 1924. This lapse continued for three years until the accruals totalled 18 per cent. Regular payments were resumed on a quarterly basis in April, 1927, in which year net earnings were $22.90 a share on the preference stock, or 3.8 times the annual dividend requirements.

In November, 1927, the reduction of these arrears was commenced by a special dividend of three per cent. and this policy was continued by similar disbursements on April 15, July 15 and October 15, 1928.

The present declaration of six per cent. will mean that in addition to its regular half payments the company in a period of thirteen months will have cleared off its entire three years of arrears.

There are no bonds, mortgages or other charges having priority over the preference stock and it is stated that the company has had no bank loans for the past year and that its only present liability, aside from those to shareholders, are for current monthly purchases of merchandise.

Despite the substantial disbursements to the shareholders, it is believed that the strong working capital position displayed on the last annual balance sheet will be improved by the end of the present year.

At the end of last year the capital stock of the company consisted of $1,500,000 cumulative preference stock and 80,000 shares of no par value common stock. No dividend has been paid on the common since 1920.

September Canal Traffic Reflects Light Grain Loadings

From Our Own Correspondent

MONTREAL.—Owing to the lighter movement of grain, traffic through Canadian canals in September showed a small increase over the same month last year. Total traffic through the Sault Ste. Marie canal last month was heavier by 2,020,557 tons than in September, 1927. Iron ore, wheat, other grains, and bituminous coal largely accounted for the increase, while anthracite coal traffic decreased by 80,283 tons.

Traffic through the Welland Canal showed a decrease from 1,014,231 tons in September, 1927, to 900,634 tons in September, 1928. Decreases in wheat, rye and coal were more than enough to offset increases in oats, pulpwood and coke.

Despite the decrease in wheat traffic of 154,709 tons, and in rye of 120,445 tons, total traffic on the St. Lawrence Canal was lighter than in September, 1927 by only 28,141 tons. Increases were shown for barley, oats, pulpwood, bituminous coal and iron and steel.

Lord Nelson Hotel Opens

Lord Nelson Hotel, Halifax, opened this week for business, although the formal opening does not take place until next Monday. Bonds of the hotel were sold in Toronto and the preferred stock was largely placed in Halifax.

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Inter. Clay Products Seek Relief from Tariff Board

From Our Own Correspondent

MONTREAL.—In connection with the plans of International Clay Products, of Estevan, Sask., to enter into the manufacture of pottery, particularly glazed wall tiles, the company is making application before the Tariff Commission for the exemption of duty payable on certain machinery which now has to be imported from United States.

There is not sufficient demand to warrant the manufacture in Canada of this machinery for possibly another five or ten years. The company, in its application, points out that other industries developing natural resources may, under the individual item of the tariff import, free of duty, machinery not manufactured in Canada, and that consequently it would be but following this precedent to admit the machinery required by International Clay Products, free of duty.

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WEEKLY RECORD OF FINANCING IN CANADA

SALES BY MUNICIPALITIES, PROVINCES AND DOMINION GOVERNMENTS

Place	Date Sold	Municipal —Sold To—	Rate	Maturity	Amount	Price	Cost Basis
Saskatchewan Schs. & Phones	Oct.	Various	...	....	$85,300	....	...
Victoriaville, Que.	Oct.	René T. Leclerc	5%	10-ins.	75 000	99.21	5.14
Grand'Mere, Que.	Oct.	René T. Leclerc	5%	30-ser.	50,000	99.16	5.07
Bridgeburg, Ont.	Oct.	Harris, MacKeen & Co.	5& 5½%	15 & 30-yr.	103,432	98	5.52
Edmonton Schools	Oct.	Bank of Commerce	5%	40-yr.	330,000	98.04	5.11
Cornwall	Oct.	Locally	5%	....	46,000	100	5.00
St. Felicien, Que.	Oct.	Locally	5%	40-ser.	47,000	....	...

OFFERINGS OF CORPORATIONS AND FOREIGN SECURITIES

Bond Issues—	Date Issued	Offered by	Rate	Due	Amount	Price	Yield
Argyle Motor Services	Oct.	W. F. Mahon & Co.	6%	1948	$120,000	100	6%
Can. Terminal System	Oct.	Willison, Neely Corp.	6%	20-yr.	500,000	100	6%
Stock Issues—							
Service Station Equipment Co.	Oct.	A. E. Ames & Co.	6%	Pref.	$1,500,000	100	6%
Calgary Power Co.	Oct.	Royal Securities Corp.	6%	Pref.	2,500,000	97½	6.15%
East Crest Oil Co.	Oct.	Speculative Issues, Ltd.	...	Com.	50,000 shs.	$2.50	...
Can. General Realty Co.	Oct.	Company	7%	Pref.	25,000 shs.	$10	...

(With bonus of three shares of common stock with each preferred).

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TORONTO, OCTOBER 19, 1928

A NEW ALASKA

VERY few people in Canada gave much serious thought to what might be the industrial opportunities of Labrador until the nation woke up one morning to find that its maps had been changed overnight by a Privy Council decision. While we had for years been tracing the boundary between Quebec and Labrador by means of a wiggly line following the sinuosities of the fiords on the Atlantic shore we found that that part of Labrador owned by Newfoundland had become a vast domain. A new Alaska had appeared on our Eastern coast with the difference that this new Alaska flew the British flag. The loss of Labrador—for Canadians consider it a loss, although Newfoundlanders felt that there had merely been reiterated judicially what they had always believed concerning the boundary lines—was a sudden shock to Canadians. Only two years ago there appeared in a Canadian magazine an article about a trip to the Grand Falls of the Hamilton River in which the writer spoke of his trip into "New Quebec." The Dominion government had sent a geologist there thirty years ago and had even granted timber licenses at one time but these were mere gestures and it cannot be said that Canada or Quebec ever made any real effort to bring about industrial or mineral development in Labrador or even to settle the land. We had hardly reached the point of saturated development in our other territories and had not got around to doing more with Labrador than making contributions to Grenfell's missions.

When we lost Labrador we began to want it. It was reported that a Canadian group of capitalists wanted to buy Labrador from Newfoundland. Rumors of a "merger" between Newfoundland and Canada became so pronounced that Walter Monroe, the then premier of Newfoundland, issued a statement in March last stating that the government had given no consideration either to union with Canada or to the sale of Labrador. Nevertheless the Canadian Senate discussed such a union and many favorable views were expressed. The discussion rather emphasized the fact that Canada had done little with Labrador while most of it was in her possession.

To-day Newfoundland has the major portion of Labrador and is preparing to develop it slowly but surely. A survey of its resources will be effected and steps have been taken that will insure that control over all of the resources that have been alienated will pass from private hands.

Labrador is a rather rich territory as any one may gather who will read some of the articles on the country that appear in this issue. Within the life time of the young Canadians and Terranovans of to-day Labrador will undoubtedly be a country of industrial activity.

IS MR. KING SERIOUS?

TO MANY who favor a much greater inflow of British immigration into Canada, the proposals of Lord Lovat, which have recently been announced, will furnish a test of the sincerity of Mr. King and the Federal government in their protestations that Britishers are being sought eagerly for settlement in this Dominion.

Rightly or wrongly, the opinion has been gradually forming in Canada that the government is lukewarm about British immigration and that the cabinet is continually going through the motions of beckoning the English, Scotch and Irish to our shores without supplementing the gestures by a positive and forceful policy of settlement.

Lord Lovat, on behalf of the Overseas Settlement Board, a department of the British government, has advanced a considered, definite plan whereby 20,000 families may be settled upon farms in Canada within ten years. In rough outline, the scheme provides that these men and their families are to be brought out and placed in cottages built for the purpose and well scattered throughout the Dominion. Here they will learn farming in a practical way, by working at it. If, at the expiration of not more than three years, one of these farmers has saved $500, he will be sold a farm by the government and will be loaned a sum of $2,500 at 6 per cent. interest, to be repaid in 30 years. If the end of the three years finds him still incapable of farming on his own, he would, no doubt, be returned to his country of origin.

Even the financial features of the scheme have been worked out in broad detail. The settlement is to be financed by the issuing by the Canadian government or a government created corporation, of land bonds bearing interest at 4 per cent. The difference between the rates of interest which the government will pay and which it will receive will be applied to the cost of erecting the cottages and of retiring the bonds. The bonds will be secured by first mortgage on the properties on which they will be loaned and will also be guaranteed in some part by the British government. The Canadian government is to find the lands and administer the scheme.

Undoubtedly there may be features of this proposal which might be improved; there may be features which perhaps might be dropped out entirely. However this may be, the scheme is a straightforward one which offers an immediate prospect of stimulating British immigration and of increasing the agricultural development of the Dominion. The government will do well to consider the proposal carefully before refusing to co-operate with the British government. Information received from Ottawa indicates that the ministers who are now there seem very apathetic and almost antagonistic toward the Lovat suggestions. There is, of course, a disposition to question the wisdom of all settlement schemes and to point to the losses sustained in the Soldiers' Settlement work, although conditions in the new scheme would be quite different and the same results would not necessarily follow.

Then, too, new schemes require greater efficiency in administration and more alertness upon the part of those in command. Greater responsibilities are always irksome and cabinet ministers have been known to mistake square-toed humdrum for brilliant statecraft. The country will await developments in this matter with great interest and not a little uneasiness.

SPENDING IT ANYWAY

WHENEVER the western wheat pools are under discussion there is always one argument that is certain to be advanced in favor of the pools. It is the theory that the system adopted by the pools of spreading their payments to the farmer over a whole year is an incentive to thrift. It is argued that if the farmer does not get the full price of his grain in the fall, when he markets it, he can not spend all his money in the fall. As his second, third and final payments come in to him in the next year he has money that might otherwise have all been spent. The argument assumes that such paternalism is necessarily in the broad interest of the farmer, which is very doubtful.

Even if it were logical in reasoning, the principle does not work out in practice. Any farmer may make an assignment of sums due him from the wheat pool or likely to be due to him at a future time. The number of assignments registered by the wheat pools runs into the tens of thousands. The situation has been changed for the wheat pool farmer but not in the way it is represented. Formerly the farmer was able to spend his money—or invest it—when he got it. Now, because he does not get it when he earns it, he must make assignment of their subscribers' income in order to meet current obligations.

The manner in which some organizations have taken advantage of the assignment system is illuminating. One western paper, which is a strong propagandist for the pool, has, in fact, made a systematic drive for subscriptions to be paid for year by year for an indefinite period by an assignment of their subscribers interest in the pool. Here is the form the farmer-subscriber is asked to sign:

Requisition

To Saskatchewan Co-Operative Wheat Producers, Limited,
Regina, Saskatchewan.
Dear Sir:
From any monies, other than the first initial advance, which may accrue due to me from your company in respect of grain delivered by me to you in the crop year of 1928 and in each and every crop year thereafter (unless you are otherwise notified in writing by me, it being understood such notice must be received by you before November 30th in the then current year, otherwise notice of cancellation to be non-effective until one year after you have received the same) please pay the following sum, namely:
To "The Western Producer" of Saskatoon my annual subscription therefor of $2.00.

It will be observed that the assignment is for all time—unless cancelled—and is to remain operative year on year.

The wheat pool would be well advised not to give too much encouragement to this sort of thing.

AS THOROUGH AS EVER

THE past year has been history-making in Canada. We have had striking advances in the St. Lawrence waterways discussion; a provincial premiers' conference with the federal government; a Conservative convention at Winnipeg and a new Conservative leader; and a continuous round of controversy on immigration. In the welter of confused thought, even the journalist with an attitude for thinking through the middle of a subject finds it difficult to maintain a well ordered mental file of the important facts. The Canadian Annual Review has for many years proven of immense value in supplying one with the background of discussion on any Canadian subject and the new 1928-1929 edition just published does not fall short of the record of its many predecessors.

This is one of the most valuable annual publications in Canada and to certain groups of people is more valuable than any other. Although the founder, J. Castell Hopkins, is dead those who are carrying on the work, are maintaining the standards of their late leader and the Review remains as valuable and authentic as ever.

A MINING SUCCESS

NOVA SCOTIA now has a metallic mine with proven ore bodies rich in zinc-lead ores. Next spring a concentrator is to be erected at the British Metal Corporation's mine in Cape Breton and the concentrates will be shipped and sold.

The successful development of the undertaking means much to Nova Scotia, for up to the present the province has not developed a Hollinger or a Noranda. Hence Nova Scotians have flocked wildly to gamble their funds in hundreds of raw mining prospects elsewhere, whilst promising precious mineral undertakings in Nova Scotia have languished solely through the difficulty of obtaining capital, notwithstanding the fact that some of the Nova Scotian mines have showings not surpassed elsewhere.

But now Nova Scotia has a real mine with proven ore bodies sufficient to last for at least four or five years full scale production. The results which have been obtained have abundantly fulfilled the hopeful attitude of The Financial Post which just a year ago first directed attention to the precious metal fields of the province in a special issue outlining each of the several undertakings there.

Several of the Nova Scotian gold mines and metallic mines can be said to have passed far beyond the mere prospect stage, and a few are moving slowly towards the proven mine class. With the added impetus given the industry by the success of the British Metal Corporation, some of these mines will make much more rapid progress in the future.

Some of the properties will ultimately turn into small production, high grade ore propositions; others, though, will turn out to be large production properties operated on a basis similar to that which prevails in northern Ontario. But at the moment all the Nova Scotian enterprises require capital.

If only a portion of the Canadian funds now flowing daily into outright prospects were diverted into Nova Scotian mining, the province could shortly boast of a mining industry comparable in prosperity with that prevailing in other fields. It is proven beyond doubt that the province has ore bodies which can be mined economically.

The British Metal Corporation a year or two ago took over two mines in the province. Both had been known and had been hawked about for years. But nothing was ever done to develop them. One property did not prove up, and the corporation stopped work—but the Stirling property has come through handsomely.

If other mining operators and capitalists enter Nova Scotia on the same sane speculative basis as the British Metal Corporation, their rewards may be substantial.

EDITORIAL NOTES

"EXPERIENCED widower wants re-engagement" is the way an ad. in a B. C. paper reads. Some people never learn from experience.

* * *

SOME PROMOTERS let their prospects in on the ground floor so that they themselves can do a little second story work unnoticed.

* * *

WHEN Baldwin committed himself to a policy of no protection he did not burn his bridges behind him. He burned them before he came to them.

* * *

MUSSOLINI claims that the Italian press is the freest in the world. Which is like calling the married life of Mr. and Mrs. Henry Peck free love.

* * *

THE PROPHECY that public ownership of utilities will soon be extinct in Alberta has caused some wails in Ontario papers, but Alberta is satisfied.

* * *

BRITISH shipowners plan to abolish starboard and port, and to substitute left and right. This is in conservative Britain. There is hope for the metric system yet.

* * *

AD. IN Vancouver province:

$1,000,000 A POSITION AS ACcountant or bookkeeper is worth to me. Phone date to Box 1624 Province.

He's not one of these dollar a year men apparently.

* * *

THERE are already indications that the farmers of the West will increase their 1929 acreage which is the answer to the question some people have been asking, as to whether or not the 1928 crop is a net income as well as a gross income producing crop.

* * *

CANADA Steamship Lines owns 108 boats. But it has an even more important asset, public goodwill, which is more than could be said of the company in the days when it was the medium through which manipulators played the market and robbed the shareholders. The new management, headed by W. H. Coverdale, president, and T. R. Enderby, general manager, has given the C.S.L. flag a reputation worth having.

* * *

AUSTRALIA paid 2½ per cent. as an underwriting fee to a group of bankers who underwrote the recent domestic loan. The loan was oversubscribed and the underwriters therefore earned their fee without putting up a single dollar. Canada is indeed fortunate. It is not forced to borrow under present somewhat unsatisfactory conditions and if it were in the market it would not have to insure its loan by payment of an underwriting fee in addition to the ordinary commission to investment bankers.

POST-scripts

NOT long ago The Financial Post remarked editorially that the Western folk who year by year make super-optimistic crop estimates, are perhaps doing their fellow citizens a bad turn. It was indicated that inordinately rosy forecasts might have the effect of lowering prices, which would reduce the revenues of the farmers. We observe that a Western cabinet minister has taken up our discussion and a press despatch from Edmonton reads:

"Lashing out at newspapers for publishing what he termed untrue reports about western Canada's grain crop ranging from 550,000,000 to 700,000,000 bushels, thereby causing a lower price for wheat, Hon. George Hoadley, minister of agriculture, declared that millions of dollars had been taken out of the pockets of people of Alberta and every other part of the west as a result.

"Alberta's wheat crop has been frozen to the extent of 40 to 50 per cent., declared Hon. Mr. Hoadley in bringing his verbal guns to bear on the grain situation. He followed up by declaring that Saskatchewan is in much the same position with regard to frozen grain."

GARBED in full regalia and with native eloquence and a sincerity that left no doubt that his heart was in his subject, Chief Mathias Joe Capilano addressed the Gyro Club, Vancouver, at luncheon recently, on the ancient habits of the Squamish Indians, of which he is hereditary chief.

The chief is a firm believer in many of the customs of his tribe, and he spoke reverently of the teachings of his father, as handed down through a line of ancestry that welcomed the early white voyageurs on the Pacific to the shores of Burrard Inlet.

One of the chief's best stories was his description of the courting of an Indian in the early days and of how a Tyee would take unto himself several wives. According to the statement of the chief, there was no jealousy among the several wives of an Indian chief. The chiefs would not permit it, and the wives were too busy helping the husband to a condition of affluence to take time to be jealous. One wife would busy herself making blankets; another would dry fish, and thus all were kept busy. The greatest disgrace that could occur to a wife was for a chief to order her to go home.

Chief Capilano's great aim now is to relate to the white men the traditions and achievements of his ancestors. To that end he is working for the establishment of a unique Indian house in the Capilano district, where will be gathered Indian curios and Squamish Indian relics.

FOLKS and Finance

JACK HAMMELL, Toronto mining magnate, was the subject of many fine tributes by his associates and by the pioneer mining men of the north at a banquet in his honor tendered him by the board of trade of The Pas.

J. H. Young, who presided, referred to the difficulties faced and overcome by such men as Tom Creighton, Leon Dion, Don Mosher, Billie Baker, Isadore Dion, Dan Milligan and others, and those of them who were living could testify as to the tremendous obstacles overcome through the driving force and vision of their guest.

"We owe more to Jack Hammell than most men realize for the Flin Flon and the development of the north country," said Mayor Barney Stitt, of The Pas. He went to the Flin Flon with their guest 14 years ago and from that time Jack Hammell thoroughly believed in the mine and its possibilities. He predicted for the N.A.M.E., Jack Hammell's, air prospecting company, the same success that had attended their guest in the past.

Jack Callinan said that he had perhaps been more intimately connected with the guest of the occasion than anyone present and for that reason knew more of the difficulties he had overcome in getting capital interested in the mines of Northern Manitoba. "I don't know of any other man who could have put through the deal for the Flin Flon and he put that through only because he believed heart and soul in the enterprise."

VANCOUVER SETS RECORD IN GRAIN

From Our Own Correspondent

VANCOUVER.—For the first two months of the present crop year grain shipments through the port of Vancouver have been nearly eight times as great as last year.

During the period referred to receipts at Vancouver have been 3,411,000 bushels as compared with 666,000 bushels last year. Shipments from Vancouver this year have been 4,287,000 bushels as compared with 555,000 last year.

By the end of the month it is expected that 16,000,000 bushels of grain will have been loaded through Vancouver. Shipping men expect that their rosiest dreams will be exceeded and they contend that the present season's showing will establish Vancouver as one of the great grain ports of the world.

Last season's congestion will not be repeated, officials of the Vancouver Harbor Board claim, and they give assurance that the grain will be moved out as fast as it comes in.

Including the North Shore elevators, the storage capacity in Vancouver now is 10,650,000 bushels. At present there are 5,600,000 bushels in storage, with another 3,600,000 rolling to the coast from the wheat belt.

Against this influx, however, there will be fifty-six ships arriving before the end of the month to load grain, about thirty-five of them for full cargoes.

"Stop Me If You've Heard This One"

Two men, waiting on the corner for the lights to change, got into a conversation.

"See that man over there? I owe my fortune to him," remarked one of them.

"Who is he?" remarked the other.

"He is a pie maker who supplies 95 per cent. of the restaurants in town."

"Huh! And who are you?"

"I am the millionaire dyspepsia tablet manufacturer."

Comic Opera at Ottawa

Government Embarrassed When Two Men Are Offered Self-Same Job

From Our Own Correspondent

OTTAWA.—Gilbert and Sullivan lived too soon. They would have enjoyed some of the things that happened at Ottawa.

There is the highly amusing and not altogether comforting situation which has arisen in regard to the appointment of a successor to Hon. Frank Oliver, former cabinet minister from Alberta, who recently retired from the Board of Railway Commissioners. The details of this situation have already received publicity in a few of the daily papers and in rough outline are as follows:

Stewart on Job

Hon. Charles Dunning, minister of railways and canals, who presumably recommends these appointments to the cabinet, is said to have offered the post, privately, to J. A. Stoneman, the president of the United Farmers of Canada, Saskatchewan branch. Mr. Dunning then went overseas with the prime minister to take a hand in world affairs at Geneva. While he was absent, a letter was sent by someone, whose identity is unknown to the Saskatchewan branch of the U.F. of C., requesting that organization to nominate someone for the position. Doubtless, it was thought that Mr. Stoneman would be the nominee. Such, unfortunately, was not the case. The organization nominated Thomas Thrasher, the secretary, perhaps to the secret mortification of Mr. Stoneman.

These details having gradually become known, it appears that Hon. Charles Stewart, the minister from Alberta, had been profoundly unaware that there was any intention on the part of the cabinet or any member thereof to take this highly prized appointment from Alberta. He already had decided, apparently, whom he would recommend and doubtless had received the warm thanks of the lucky man. He strongly deprecates any move to switch the appointment over to Saskatchewan and has made it known that he will put up a fight before surrendering this plum.

The upshot would appear to be that the government is in the position of Benjamin Franklin and his associates. It will be hanged either separately or collectively; it will make enemies whichever way it may now decide.

Post For Oliver

Oliver himself cannot be reappointed. He was 75 in September and that is why he automatically retired from the railway board. The Hon. Frank has served his country to the best of his peculiar ability, but unfortunately draws no pension. He is now doing some writing for different papers, but the way of the free-lance writer is a hard one. There is talk now of giving him the post of special commissioner in connection with grade crossings, working under the Board of Railway Commissioners. The chief purpose is to provide a post for this hardy old Westerner who has been a bright figure in politics for a long generation.

Incidentally, the Board of Railway Commissioners was at one time considered a judicial body.

Propaganda Versus News

Excerpts from an address on "The Public Relations Man and the Editor," delivered by Walter M. Harrison, managing editor of the Oklahoma City Times and president of the American Society of Newspaper Editors, to the convention of the American Gas Association, October 10.

I am not afraid of your propaganda for private ownership of electricity, of gas and water rights.

I am not afraid of propaganda for public ownership.

Neither does the daily grist from the Anti-Saloon league, the plumbers' association, the brick manufacturers and the eat-more-alfalfa-daily press agents cause me to lose any sleep. I know propaganda when I see it. Nor is this conceit. My newspaper service is somewhat parochial and limited to a short twenty years. But every man in the business of the same experience sifts many bushels of propaganda chaff daily and occasionally finds a grain of wheat worth printing.

Keep the propaganda coming. Everybody else is doing it. The public relations man to-day must be clever indeed to make his work stand out in such a way that it will get attention in a welter of indifferently written and poorly printed material.

Base your public relations policy on the theory that the public is entitled to all of the facts. Give information. Give it all. Give it exactly and present it in a way that the lay mind can get a picture of it. Be as quick to get unfavorable things about your utility to the newspapers as you are to rush to the papers with information you think the people ought to have.

A decade ago the cry against you was that you were a secretive lot who took all and told nothing. Now the Federal Trade Commission is on you for telling too much.

Owen D. Young, of the General Electric Company, touched the button not long ago when he said: "The danger is that the growth of our industry will outrun public understanding; that the people will see and fear our size without understanding our service."

Organization of consolidations and holding companies developed far more rapidly than your information and publicity programmes. You have been so busy expanding that you have given little thought to what the neighbors say about you. The need is for better public relations, better information, an increasing advertising programme to acquaint the people with the facts of your business.

There are probably 14,000,000 utility customers, investors and employees. Activities of these groups, the facts about the business units are legitimate news which editors are looking for. My personal opinion is that more business news is a splendid antidote for prize fight ballyhoo and Chamber of Commerce "baloney."

The public utilities spent $25,000,000 in advertising in 1927. I hope every dollar of it was purchased on a business basis. If you spent a dollar for advertising copy to sweeten a local editor in the hope of getting him to help your local franchise on his editorial page you were a sap and you offered an insult to the whole newspaper profession.

Editors are not bought with advertising. This statement goes for ninety-five per cent. of the metropolitan press. Any suggestion to the contrary causes me to question the intelligence of the man who makes it. If any public relations man is employed on that theory, he ought to be out next week, because he is damaging your standing with the newspapers and with the public.

I am sorry to say that many small town newspapers have donated news space and some have even promised editorial support in return for a sop of advertising, but the country weeklies and the small town dailies have become educated very rapidly on the ill effects of propaganda on the community and the reform of the last of the brigands of the business is not far off, for they are failing because of their panhandling and are being consolidated into clean newspaper successes with real editors to make them profitable.

Swat the demagogue among the politicians as well as in the press. You never finish paying tribute to a bribe taker. The professional yammerer against the utilities who comes to you for a hand out will ruin you if you feed him. No bribery is justifiable and you cut the ground of honest, fair dealing from under your feet when you buy politicians.

Don't buy your way. Tell your way, sell your way into decent public opinion.

Gentlemen, this is trite, I know, but honesty in big business, as well as small, is the best policy. Play all your cards on the table and you will win in the long run. The public is fair. Give light, give facts and the people will find their own way. Fair regulation will follow a fair attitude on the part of the public, which will come as a natural sequence to fair dealing and the lowest rates you can afford and make a fair profit. You need billions of new capital yearly to continue your development. All investment is based on confidence. See that you do nothing to damage your goodwill and everything to enhance it—for with that you live or die.

Essays Come-Back

SIR RICHARD SQUIRES,
opposition leader who is trying to regain the premiership of Newfoundland in the general election to be held October 26.

E. L. RUDDY COMPANY
LIMITED

6½% 20-year Sinking Fund First (Closed) Mortgage and Collateral Trust Debentures

Due June 30, 1948

Net tangible assets equal to over $2,400 per $1,000 debenture.

Net earnings for year ended December 31, 1927, equal to over five times annual debenture interest.

Price:
100 and accrued interest to yield 6½%

Circular will be mailed upon request

R. A. DALY & CO.
LIMITED
BANK OF TORONTO BUILDING
TORONTO

R. A. DALY, *Member*
Toronto Stock Exchange

For Economy with Service
Route Your Freight Shipments
via
Canada Steamship Lines,
LIMITED

Between Montreal, Three Rivers, Quebec
From Montreal, Toronto, Hamilton to Port Arthur, Fort William
Between Montreal, Toronto, Hamilton, Windsor, Detroit

Investigation of Securities

Like every other Investment Banker, we receive constant enquiries for new capital from Corporation Executives.

Before purchasing securities to offer to clients, our practice is to make a thorough investigation of the Corporation's affairs to see that the capital sought is justified by the history, management, properties, earnings and outlook of the business.

In carrying out our investigations we employ the best available engineering, sales and legal counsel.

Cochran, Hay & Co.
Limited
Dominion Bank Building, Toronto
J. STRATHEARN HAY, *Member, Toronto Stock Exchange*
HAMILTON LONDON KITCHENER WINDSOR

Land Rush Days in West Recalled by Lethbridge Queue

From Our Own Correspondent

LETHBRIDGE. — Old land rush days were re-enacted recently in this city when more than a hundred men and women held their places before the doors of the Dominion lands office for three days and nights to file on homestead lands in the vicinity of Coutts, Alta., thrown open by the Federal Government.

This land—it was a block lying on the Western edge of the so-called Southeastern Alberta dry area—was hardly worth anything three or four years ago. Not a few home-steaders, broke and disgusted, pulled out, abandoning their places. Then the wet years started three years ago and those same "worthless" farm lands have been yielding from 30 to 50 bushels to the acre. The result has been a remarkable "comeback" of the southeast with prosperous times there. It was therefore, not surprising to see the scramble for this "free land" when the government decided to throw open for settlement the eastern half of the Quarantine Reserve, a block used for years for live stock inspection purposes as it lay close to the international boundary at Coutts.

Some 73 quarter sections were made available and for those 73 homesteads more than 125 land-hungry men and women camped at land office remaining at their places to retain them for fully three days and nights. Tickets were given out indicating each one's place in the line, a special constable was sworn in to maintain order and food was brought to the besiegers at regular intervals. When the morning for the filing arrived the land office staff gave out tickets marked officially and the holders filed in turn—160 acres to a man. By nightfall all the applicants had been taken care of, the first getting a farm for $10 and the tail-enders getting nothing but the experience and a lesson in tardiness.

It was a successful land rush and an orderly one. In this respect it formed something of a contrast to those of the old days when hundreds fought for places weeks ahead of the filing dates. In 1912, a thousand men and women were in the line-up here, the city originating the scheme of marking off the sidewalk into sections and selling these sections to the land-seekers for a nominal charge. In this way, coupled with police control, order was maintained.

The recent land rush is indicative of the changed attitude toward homestead lands in Southwestern Alberta, and is a forecast of what will happen when additional lands, schools [illegible] are thrown open to settlement as [illegible] be the case in the next few months.

If you spend money for advertising, this may be worth your reading . . .

YOUR reputation—prestige—goodwill—call it what you will, among the people who buy your goods, is the most important factor in your success.

If you enjoy a full measure of this goodwill, then, if you desire it, jobbers must serve you, retailers must consider you and chain stores dare not ignore you.

How, then, shall this goodwill be established?

By the quality of your goods, by their reasonable price and *by advertising*—that intangible, immeasurable, yet potent force that has literally changed the habits of the nation and raised the national standard of living.

How, then, shall one harness this force for their profit?

Any literate person can prepare some kind of advertising, and the most inexperienced tyro may produce one or two striking advertisements for a given commodity.

But experience teaches that it is good business judgment, continuous initiative and continuity of effort that is responsible for sustained successful advertising.

It is this sound business judgment, advertising experience and continuous initiative backed by creative ability and technical skill that I offer to clients.

My policy differs from that of some of my respected competitors. I don't pretend to do anything for an advertiser—except advertise.

* * *

My belief is that every time an advertisement is seen and read, the advertiser is influencing just that one person at that time. Now people are moved to think and to do certain things by fundamental instincts—vanity—emotion—selfishness—value—utility—sex—taste — recreation — entertainment—fear—ambition—desire for gain, and so forth.

In advertising a product (or a service) my first care is to pick out the fundamental things about it that will strike a responsive chord in the mind of the possible or probable buyer. Having determined these, the next job is to present them in a convincing manner to the greatest possible number of buyers at the most economical cost.

Once these factors are determined, the advertiser need no longer thrust around in the dark and hope for results. He cannot, if persistent, fail of their achievement.

Despite assertions to the contrary, advertising is no magic carpet. It calls for all of man's faith and courage to embark on it and to persist in it until the public become, so to speak, advertising-conscious of the advertiser and his goods. But when once that stage is reached, then the advertiser is on the way to reap his reward an hundredfold.

* * *

If you accept these things and are desirous of reconstructing your advertising along these lines, then give me a call. You will not be importuned to do business. The first thing I shall try to do will be to win your confidence. That established, business will follow as surely as day follows the night.

Thornton Purkis
Advertising Counsellor.

330 Bay Street,
Toronto.
Telephones: Adelaide 6222-6207.

Background of Business

Weekly Review of Canadian Conditions

CONDUCTED BY JOHN E. LANGDON

Lack of New Developments Denoting Change in Trend
Movement of Crop Making Itself Felt in All Lines of Trade
Production of Industry Maintained Along Record Levels
Distribution of Merchandise Well Ahead of Last Year
Fewer Failures in Third Quarter; Liabilities Show Gain

THE past two or three weeks have been unusual in that there have been no developments which would indicate an improvement or retrogression in business. The character of the present season has already defined itself. In some respects it has differed from what was expected for the autumn three or four months ago; in others it has fulfilled expectations.

Indices of one kind and another have been equally favorable, inasmuch as they show the trend to be upwards rather than downwards. In one or two instances seasonal changes have been reported by major industries but nothing has developed which would warrant any change of opinion in regard to the business situation during the balance of the year.

It will be recalled that in the fall of 1927 there was no lack of forecasts of the future trend of industry. Such has not been the case this year. There has been a better tone all round, however, which would indicate that the business man and manufacturer alike is looking forward to a continuance of the good volume of trade enjoyed during the last six months.

Marketing Affects Trade

The movement of the crop is making itself felt more prominently in all lines of business. Unlike last year, marketing has got under way early and the assurance of heavy monetary returns before the year end, is reflected in an improvement of buying, especially in the West.

Wholesalers report more active interest in the principal lines and the buying of a better type than a year ago. Orders show a considerable increase, both in size and number, which is reflected in manufacturing operations particularly in those branches catering to the farmers' requirements.

Naturally, credit requirements to finance crop moving and autumn trade have shown an increase during the past three weeks. A high level of loans was maintained during the past three weeks, accompanying a high level of general business activity and the present volume of credit is substantially ahead of that of a year ago.

Industrial Output High

Production in leading industries in general continues to show a higher volume than in the last quarter of 1927. Even after allowing for seasonal gains, output registers a fairly substantial increase. This has been due partly to the assurance of a maintenance of purchasing power for at least the next six months and also to the record activity in major industries.

One of the most important increases is in the automobile industry. The sharp drop in production during the last few months of 1927 and beginning of 1928 had an appreciable influence on many lines of activity, especially in the iron and steel trades. In the past three months output has been at an unprecedented level, the number of units produced being far above the average for that period of the year. It is now possible that production for the year will set up the largest total in the history of the industry.

Although the volume of building has not increased during the past two months in the same manner as earlier in the year nor as spectacular as the increase in the automobile industry, it has had a more dominant influence on business in general. It is to be expected that values for the year will come up to pre-war levels, if not setting a new high mark.

Basic Industry Active

The unusual activity of these two industries has naturally brought about a corresponding improvement in the primary iron and steel trade. The mills are turning out a larger quantity of pig iron and steel than at any time in the some years past. Virtually all orders for fall and winter delivery have been placed at good prices, thus assuring a maintenance of activity in mill operations until next spring. Many of the larger operators have sufficient business on hand to keep them busy for more than a year.

Another industry, which has had a good effect on primary iron and steel production, is that of farm implement manufacturing. There has been an excellent demand for agricultural machinery this year, particularly in Western Canada and the total volume of business comes close to establishing a record. Furthermore, a larger percentage than usual of the buying is being done on a cash basis, indicative of the greater purchasing power of the farmer arising out of the succession of good crops and satisfactory prices.

The healthy state of the four industries mentioned, is to be seen in practically all major branches of industry. Newsprint production is being maintained, despite uncertainty of markets; flour output shows an increase and the mills are reporting better earnings; paint and varnish makers find business considerably improved; lumbering shows signs of picking up and the textile industry is slowly working around to a better position.

Employment figures are expected to show a further increase for October. The index of the number of workers engaged at the end of September was the highest recorded since 1920. Since then, a small army of workers have been engaged in harvesting the crop; railway employment has increased, while industry is employing more help. Wage earnings also have increased during recent months and buying in urban centres is expected to show a gain from now on to the end of the year.

Heavier Buying of Goods

Distribution of commodities shows more than a seasonal increase, according to current indices. Many wholesalers and retailers are stocking up with late fall and winter supplies. The movement seems to be larger this year as reflected in car loadings. During the week of October 6, 18,930 cars of merchandise and 19,992 cars of miscellaneous freight were loaded, as compared with 18,411 and 17,358, respectively, in the same week a year ago.

The weekly car loadings further show that business as a whole is more extensive than in either 1927 or 1926. During the first week of October, 89,651 cars were loaded, as against 76,826 in the week of October 8, 1927. About two-thirds of this increase was due to the heavier movement of grain.

Since the begining of the current year 2,719,302 cars have been loaded. This compares with 2,496,120 and 2,390,654 in the corresponding periods of 1927 and 1926, respectively. The movement of grain and grain products shows an increase of more than 25 per cent. over last year, while increases were also registered for livestock, pulpwood and paper, other forest products, ore, merchandise and miscellaneous. Coal, coke and lumber are the only three classifications to show smaller loadings.

The third quarter's insolvency statistics covering the Dominion show divergent trends, a small reduction in the number of commercial failures contrasting with a considerable rise in the liabilities, comparing with the returns for the corresponding period of 1927. Thus, defaults during the three months recently ended numbered 445, or 17 less than in the same period of 1927.

Figures compiled by R. G. Dun & Co., however, disclose an indebtedness of $9,548,251, which is about $2,900,000 above the corresponding figures of 1927. The expansion in liabilities occurred in manufacturing lines, agents, brokers, etc. Among traders, the amount involved fell off slightly.

Canadian Business Indicators

Compiled Weekly by The Financial Post

	Latest This Year	Latest Last Year	Cumulative for Year This Year	Cumulative for Year Last Year
	Weekly			
Car Loadings (Oct. 6)	89,651	76,826	2,719,302	2,496,120
Stock Index (Oct. 11)	516.5	236.4	......	......
C.P.R. Gross Earnings (Oct. 7)	$ 6,100,000	$ 4,773,000	$ 154,176,000	$ 135,971,000
C.N.R. Gross Earnings (Oct. 7)	$ 6,475,013	$ 5,206,774	$ 202,792,937	$ 183,416,960
Production—	Monthly			
Pig Iron, tons, (Sept.)	9,516	52,470	745,473	570,414
Steel, tons (Aug.)	86,677	77,479	819,822	620,039
Newsprint, cwt. (Sept.)	185,059	178,815	1,731,226	1,519,049
Automobiles (Aug.)	31,245	12,526	181,459	150,321
Boots and Shoes, pr., (Aug.)	1,601,579	1,675,598	12,254,514	11,867,591
Flour, bbls., (Aug.)	1,590,164	1,157,963	11,922,769	10,282,802
Construction—				
Building Permits (Aug.)	$ 17,383,279	$ 29,478,378	$ 144,886,463	$ 126,690,292
Contracts, (Sept.)	45,438,000	32,787,700	379,503,400	305,773,700
Labor—				
Employment Index (September)	119.5	109.7	......	......
Trade—				
Imports (Aug.)	$ 114,175,346	$ 99,348,340	$ 806,323,475	$ 723,814,703
Exports (Aug.)	$ 112,493,026	$ 94,216,194	$ 800,245,786	$ 733,643,652
Imports of Key Products—				
Rubber, lbs., (Aug.)	5,480,162	4,509 642	42,514,162	42,203,642
Cotton, lbs., (Aug.)	7,300,141	7,266,657	80,934,141	93,547,657
Sugar, cwt., (Aug.)	970,937	1,175,308	6,189,828	....
Petroleum, gal., (Aug.)	17,693,338	14,186,410	282,642,815	....
Coal, tons (Aug.)	2,009,525	......	8,643,640	......
Exports of Key Products—				
Newsprint, cwt., (Aug.)	3,586,684	3,262,301	....	....
Automobiles, No., (Aug.)	11,048	4,684	45,856	44,197
Wheat, bush., (Sept.)	26,922,776	14,070,866	197,235,782	138,018,534
Wheat flour, bbls. (Sept.)	889,775	677,330	7,484,109	6,257,902
Electric Power—Output—				
M. Kilowatt hours, (July)	1,243,179	1,104,260	8,936,376	7,784,580
Population—				
Emigration (July)	5,234	7,180	......	......
Immigration (June)	20,303	18,052	93,596	7,457
Finance—				
Failures, No. (Aug.)	142	147	1,240	1,150
Failures, Liabilities, (Aug.)	$ 2,254,312	$ 2,371,788	$ 18,394,099	$ 18,765,691
Bank Debits (Aug.)	$3,248,115,942	$2,607,321,486	$27,850,691,782	$21,312,936,164
Bond Sales (Sept.)	$ 21,317,833	$ 85,685,491	$ 345,742,643	$ 387,393,642
Insurance Sales, (Aug.)	$ 43,503,000	$ 38,360,000	$ 373,492,000	$ 325,198,000
Wholesale Prices (1913-100)—				
General Index (Sept.)	149.7	151.3	......	......
Iron	138.7	142.6	......	......
Cottons, raw	138.4	174.8	......	......
Grains	135.6	164.7	......	......
Cattle	160.1	115.1	......	......
Rubber	36.3	56.0	......	......

Trade Treaty with Portugal Declared Effective October 1

From Our Own Correspondent

MONTREAL.—The trade treaty between Canada and Portugal, whereby the Dominion extends to that country favored nation treatment on Portuguese articles produced or manufactured, came into being on the first of this month. This treaty applies to Portugal (including the Mother country) and adjacent islands, Madeira, Porto Santo and Azores.

In order to obtain the benefits of this treaty it is necessary for products originating in and coming from Portugal to be transported direct from a port in Portugal to any sea or river port in Canada without trans-shipment.

Business Conditions in United States

The dollar volume of trade in the United States during the week ended October 6, as seen from data on check payments, was greater than in either the previous week or the same period of 1927, according to the weekly statement of the Department of Commerce. Operations in steel plants were on a higher basis than at any time this year, showing an advance over the corresponding period of 1927, as well. The general index of wholesale prices showed practically no change from the previous week, but was higher than in the same week of 1927. Prices for iron and steel continued to show further slight recovery over the previous week but was still below a year ago. Prices for copper averaged higher than in either the previous week or the same period of last year. New building awards during the week showed a higher daily average than in either the previous week or the corresponding period a year earlier. Factory employment in Detroit, although showing some seasonal recession, was considerably larger than at this time a year ago. Bond prices showed declined from both the previous week and the corresponding period of last year. Interest rates for time funds averaged lower than in the preceding week but were higher than a year ago. Call-loan rates, however, averaged higher than in either period. Stock prices, though fractionally lower than in either the previous week, were higher than a year ago. Business failures were less numerous than in the same period of 1927.

Production of bituminous coal during the week ended September 29 was greater than in either the previous week or the corresponding period of last year. Freight car loadings for the latest available week were larger than a year ago. Petroleum production, though showing no change from the previous week, was smaller than in the same period of last year. Receipts of wheat at primary markets showed a decline from last year. Receipts of cattle and hogs, however, showed gains over the corresponding period of 1927.

	1928 Sept. 29	1927 Oct. 1
Steel operations	111.8	87.0
Bituminous coal production	113.5	103.2
Lumber production	90.9	107.3
Petroleum production (daily average)	120.5	121.8
Detroit employment	133.2	88.8
Freight car loadings	....	117.5
Bldg. Contracts 37 states (daily average)	162.7	123.6
Wheat receipts	249.1	252.6
Cotton receipts	256.5	261.2
Cattle receipts	121.8	114.2
Hog receipts	72.3	51.6
Price No. 2 wheat	104.2	93.7
Price cotton middling	71.0	80.1
Price iron and steel composite	85.2	87.2
Copper, electrolytic, price	108.7	92.8
Fisher's index (1926=100)	99.3	96.2
Debits to individual accounts	126.2	113.0
Bank loans & discounts, total	126.5	119.6
Interest rates, call money	163.6	97.0
Business failures	98.3	94.6
Stock prices	210.4	185.6
Bond prices	107.9	109.9
Interest rates, time money	171.4	100.0
Federal reserve ratio	88.4	98.4

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11 WALL STREET - - NEW YORK
LONDON BLDG. - - VANCOUVER
BELMONT HOUSE - VICTORIA, B. C.
GRESHAM HOUSE - OLD BROAD ST. LONDON, E.C.2. ENG.

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GIVES YOU— AUTOMATIC, DIVISION ADDITION MULTIPLICATION SUBTRACTION
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MACHINE OR HAND MADE
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Clean Your Building
In the New and Better Way
COLD STEAM PROCESS
(Reg'd Trade Mark)
The only process to properly clean Limestone, Terra Cotta Tile, Granite, Marble, Brick or any stone, without injury to surface—
WITHOUT DIRT, SAND OR ANNOYANCE TO OCCUPANTS
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Builders of Passenger Cars—Freight Cars—Street Cars—Air Dump and Industrial Cars of all descriptions. Automobile Chassis Frames and parts—Steel Pressings—Forgings—Drop Forgings—"National" Motor Trucks.
HAMILTON, ONTARIO, CANADA
504 King Street West, TORONTO, ONT.
621 St. James Street, MONTREAL, QUE.

"I, JOHN SMITH, being in good health and of sound and disposing mind, but conscious of the uncertainty of life, do make this my last Will and Testament."

Such phrases emphasize the advisability of the present making of Wills by those having anything to dispose of without waiting until their estates increase or their wishes become more settled.

Make a Will — you can revise it at any time — and assure yourself that it will be faithfully carried out by appointing this Company your Executor.

THE ROYAL TRUST Co
Head Office - Montreal
CALGARY EDMONTON HALIFAX HAMILTON OTTAWA QUEBEC SAINT JOHN ST. JOHN'S, NFLD. TORONTO VANCOUVER VICTORIA WINNIPEG 503R

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LIMITED
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Washed River Sand and Gravel
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INDUSTRIAL
ALCOHOL
HIGHEST QUALITY—BEST SERVICE
Ethyl Alcohol—Cologne Spirits, Denatured Alcohol
(ALL FORMULAE)
We maintain a Technical Service Division which stands ready at all times to co-operate to the best of its ability with the Trade.
Canadian Industrial Alcohol Co., Limited
MONTREAL TORONTO WINNIPEG CORBYVILLE VANCOUVER

NEW ISSUE

$2,500,000

Calgary Power Company, Limited

6% Cumulative Redeemable Preferred Stock

Preferred as to capital and dividends and entitled to a fixed cumulative dividend at the rate of 6 per cent per annum, cumulative from November 1st, 1928, and payable quarterly on the 1st days of February, May, August and November. Redeemable as a whole or in part, at the option of the Company, at 105 and accrued dividend on 30 days' notice, and at the same price in the event of the liquidation of the Company. Non-voting, except as to matters affecting the rights of the holders and except after four quarterly dividends shall be in arrears and while any arrears remain unpaid. Shares of $100 each par value. Transfer Agent: Montreal Trust Company. Registrar: The Royal Trust Company.

Application will be made in due course to list these shares on the Montreal Stock Exchange.

CAPITALIZATION
(On completion of this financing)

	Authorized	Outstanding	
5% First Mortgage Sinking Fund Bonds	$3,000,000	£552,200	($2,687,373)
6% Cumulative Redeemable Preferred Stock	5,000,000	$2,500,000	
Common Stock (now paying 5% annual dividend)	5,000,000	2,500,000	

Descriptive circular, copies of which will be supplied upon request, contains detailed information supplied to us by Mr. G. A. Gaherty, Managing Director of the Company, from which the following is summarized:—

THE COMPANY: Calgary Power Company, Limited, incorporated in 1909, has since 1911 engaged in the generation and distribution of electric power in the Province of Alberta. In 1927 its hydro-electric plants produced approximately 80,000,000 k.w.h., which exceeded the combined production of all other electric power plants in Alberta. It supplies 33,000 customers directly and indirectly, through its own and municipal distribution systems.

BUSINESS: For the past 17 years the Company has supplied the City of Calgary at wholesale with the major part of its power requirements, the balance having been supplied by steam plants owned by the City and by Calgary Water Power Company, Limited. A contract recently concluded provides for the supply by the Company of Calgary's entire power requirements up to and including 1940. The City's steam plant has been leased to the Company for the purpose of this contract.

The Company purchased in April, 1928, the entire capital stock of the Calgary Water Power Company, Limited, which has been supplying electricity retail in a substantial section of the City of Calgary since 1888; and in July, 1928, the entire capital stock of the United Electric and Engineering Company, Limited, which operates about 100 miles of transmission lines supplying the towns of Bassano, Gleichen and Strathmore and a number of villages. Power is also supplied wholesale to the cities of Lethbridge and Red Deer, and to the town of Ponoka; to the Canada Cement Company's plant at Exshaw, and the Vulcan Light & Power Company, operating in the town of Vulcan. Through franchise agreements power is supplied by direct retail distribution in the towns of Magrath, Taber, Diamond City, Granum, Carmangay, Claresholm, Staveley, Nanton, High River, Okotoks, Didsbury, Olds, Innisfail, Leduc, Daysland, Hardisty, Morinville, St. Albert, Fort Saskatchewan and Wainwright, and over twenty villages in central and southern Alberta.

The Company will by the end of the current year be distributing power and electric light to more than eighty communities, with a combined population of approximately 150,000.

PROPERTIES: The Company has in operation two hydro-electric generating plants, at Horse Shoe Falls and Kananaskis Falls, on the Bow River fifty miles west of Calgary. The installed capacity at Horse Shoe Falls is 19,000 h.p., and at Kananaskis Falls 13,000 h.p., giving a combined installation of 32,000 h.p. Dams in each case are of mass concrete, other works being of a like permanent character.

The steam plant of the Calgary Water Power Company has an installed capacity of 4,000 h.p., and the Victoria Park steam plant (leased from the City and operated as a standby) has an installed capacity of 14,000 h.p.

Arrangements have been made with the Dominion Government for the issue to the Company of a license to develop the Ghost and Radnor power sites on the Bow River, 28 miles west of Calgary. An initial installation of 36,000 h.p. is now under construction, being part of an ultimate installation of 64,000 h.p. installed capacity at these sites. The Ghost project will be the largest single hydro-electric power development in Alberta. The pondage created will provide a reserve of over 4,750,000 kilowatt hours, which represents the present power requirements of Calgary for twenty-one days.

On completion of the first stage of this development, about November, 1929, the total installed capacity of the Company's hydro-electric generating stations will be 68,000 h.p., capable of further development to approximately 96,000 h.p.

VALUE OF ASSETS: According to the Company's Balance Sheet as at August 31st, 1928, adjusted to give effect to this financing, fixed and net current assets (after deducting depreciation reserve of $908,936), had a combined book value of $8,497,387—equivalent, after deducting First Mortgage Bonds and United Electric and Engineering Company's Debentures outstanding, to $231 per $100 par value of Preferred Stock now being issued.

The Common Shares of the Company are listed on the Montreal and London Stock Exchanges. Based on quotations as at October 4th, 1928, the equity represented by the Common Stock—including the additional shares about to be issued—will amount to approximately $4,000,000.

EARNINGS: Based on earnings for the eight months ended August 31st, 1928, and on additional revenue to be derived from other distributing systems recently acquired or constructed, it is estimated that net earnings for the year ending December 31st, 1928, after deducting operating expenses, bond interest, depreciation and income tax (but excluding non-recurring interest charges on loans to be retired by present financing), will be approximately $300,000, which is equivalent to twice a full year's dividend of $150,000 on this issue of Preferred Stock.

It is estimated that net earnings on the same basis for the year ending December 31st, 1929 will exceed $450,000. In subsequent years when the full benefit is received from the rapid expansion of the Company's system that is taking place, net earnings available for preferred dividends should be still further increased.

PROGRAMME OF DEVELOPMENT: In 1926 the Company inaugurated its programme of expansion of its transmission system through the more thickly settled districts of the Province of Alberta. In 1927 some 400 miles of transmission line were constructed and many municipalities, towns and villages were connected up to the Company's system. This rate of progress is being fully maintained during the current year. Negotiations are under way with a number of other municipalities which the Company's experience indicates can profitably be served.

We offer these Preferred Shares for delivery if, as and when issued and received by us, and subject to approval by counsel of all proceedings, at—

97½ and accrued dividend, to yield 6.15%

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The above statements are not guaranteed, but are based upon information which we believe to be reliable and on which we acted in purchasing these securities.

Pulp & Paper

Announces Plans for Big Paper and Power Scheme in Buckingham District

James Maclaren Company Undertake Ambitious Enterprise

EXPEND $12,500,000

Will Have 250-Ton Paper Mill and Develop Hydro Site of 120,000 Horsepower

From Our Own Correspondent

MONTREAL.—One of the most ambitious combined pulp and paper and power undertakings in Canada for some time past, is seen in the announcement of the James Maclaren Company, of Buckingham.

Present plans call for a power development at High Falls, 23 miles north of Buckingham, where 120,000 horsepower will be developed; a 25,000,000 cubic feet storage reservoir at Cedar Rapids, 20 miles north of High Falls, and a pulp and paper plant at either Masson or Buckingham, with a capacity of 250 tons daily.

In addition the company intends to utilize its power resources on the Lievre River between its lumber mills at Buckingham and Masson, aggregating 150,000 horsepower.

Contract has been let to a Montreal firm for the construction of a power plant, which will be similar in construction to that of the Gatineau Power Company at Chelsea, at the foot of High Falls, where the existing dam will be raised until there is 180 feet of a head of water, which will be an increase of about twenty feet.

The power house will be equipped with an initial installation of three 30,000 horsepower units, and a fourth will be put in at a later date. The water in the Lievre river will be backed up for a distance of twenty miles, but will not affect the surrounding country to any great extent as for most of the distance the river runs through high banks, and the lower land is swamp land, which will be transformed into small lakes studded with islands.

As soon as the High Fall power development is properly under way, the company will commence upon the construction of a dam on the river at Cedar Rapids, for the creation of a storage reservoir which will regulate the river and provide a water storage of 25,000,000 cubic feet for the power plant.

The dam at Cedar Rapids will be fifty feet high, and will back the water of the Lievre as far as White Fish Lake.

Cost Over $6,000,000

The construction of the power house will cost approximately $5,000,000; the storage dam at Cedar Rapids, $1,500,000, and the two developments will furnish employment for about 1,000 to 1,500 men. It is expected they will be completed in the spring of 1930.

The Cedar Falls storage will drain an area of 4,000 square miles, and will raise the level of the river north of the dam, to the extent of about 35 feet.

Early next summer the Maclaren Company expects to go ahead with the construction of a pulp and paper mill, to be located at either Buckingham, adjacent to its lumber mills, or at Masson. If at the latter village, the two plants will be connected by a three-mile pipe line for pulp transmission from the ground wood mill at Buckingham which is to be considerably enlarged.

750-ton Paper Mill

The paper mill will be equipped with two 234-inch machines with a capacity each of 125 tons of newsprint daily; will be equipped with a pulp mill; will furnish employment for about 500 men and its construction will cost in the neighborhood of $6,000,000.

The paper mill is expected to be ready for operation late in 1930, and the contract for its construction will be awarded later on.

The Maclaren Company also intends later on to utilize its power potentialities on the Lievre river between Buckingham and Masson. At present at the Dufferin Falls, adjacent to the lumber mills, the company has developed 15,000 h.p. with which the mills are operated. This will be increased to 25,000, and below the falls extending to Masson there can be developed a further 125,000 h.p. When the demand for power warrants it, the company will erect another power plant to develop this electrical energy.

The power development is being constructed with the co-operation of the Quebec provincial government, which is supervising the construction of the storage dam at Cedar Rapids, and it is expected that within a few years from now the Maclaren Company, which has been one of the foremost industries in this district, will be a power in the hydro world, with a development which will aggregate 270,000 h.p. in all.

Create Industrial Area

The erection of the new paper and pulp mill will undoubtedly revolutionize the valley of the Lievre, and it is anticipated that as a result of the advent of this new industry, Masson and Buckingham will expand largely.

Details of the financing of this scheme which will total nearly $12,500,000 will be made public shortly. It is understood that Montreal and Toronto, which have been interested in Quebec pulp and paper and power companies, will carry out the financing.

Bathurst Power Can Now Instal Machine

From Our Own Correspondent

MONTREAL. — Apparently the Bathurst Power and Paper Company is to proceed with the installation of its new paper machine, for the company has adjusted its differences with the town of Bathurst. The new equipment is already at the plant, but the installation of the new machine with a capacity of 75 tons daily was delayed pending the outcome of litigation between the municipality and the company touching the assessed valuation of the plant. The tax difficulty has now been satisfactorily adjusted and the case will not come again before the courts. Hence the way is now open for the expansion of the plant's capacity.

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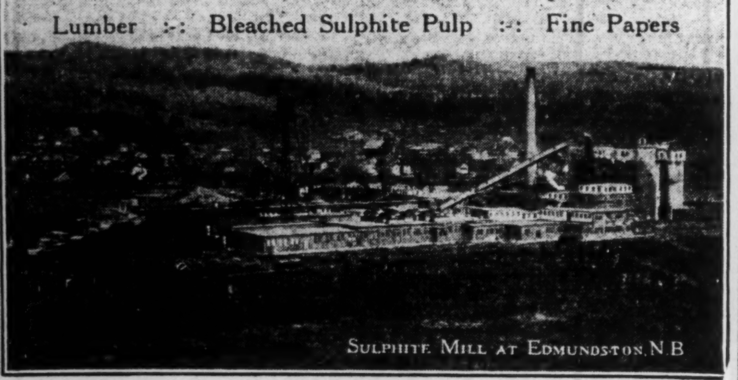

Sulphite Mill at Edmundston, N.B

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INTER. PAPER CO. EARNINGS LOWER IN PAST QUARTER

Low Prices and Curtailment of Operations Cause Falling Off

From Our Own Correspondent

MONTREAL.—For the quarter ended September 30 last, International Paper Company reports earnings of approximately $1,000,000 as compared with net earnings for the quarter ended June 30, 1928, of $1,415,571 after interest depreciation and federal taxes, and $1,383,166 after the same charges in the quarter ending September 30, 1927.

Reduction of newsprint prices and some curtailment in operations were responsible for the falling off in earnings. These earnings do not include the undistributed portion of profit accruing on the common shares of New England Power Association held by International Paper Company.

Heavy Capital Outlay

International Paper, of course, has made very heavy capital expenditures during the past two or three years and it is expected that 1929 will begin to show a return to the parent company of some of the money invested. Revenue from the Gatineau Power Company's contract this year will not be large, but it will cover the company's fixed charges. In another year revenue will be doubled and the company should begin to show good profits for International Paper Company.

Demand for manufacture of rayon has increased. International Paper shortly will expand the capacity of its Kipawa Mill to about 300 tons of pulp daily, from 250 tons.

Only formalities need to be gone through before International Paper and Power Company takes over International Paper Company. Under the terms of the plans preferred stock of the new holdings will be exchanged share for share for International Paper preferred, while the common stock holders will receive one share of Class "A" common stock, one share of Class "B" and one share of Class "C" common stock for each share of International common. More than 87 per cent. of the preferred and common stocks of International Paper have been deposited and it is expected that by October 20, well over 90 per cent. will have given assent to the plan.

New Financing Expected

Next financing to be done by International Paper probably will take the form of an issue of Class "B" stock. This may finance the acquisition of the New England Power Association common from New England Hydro Electric Company under an option which expires next spring. New England Hydro Electric, which is closely affiliated with the management of International Paper, purchased a block of $273,687 shares of New England Power Association common stock from North Eastern Power Corporation six months ago, at $86.50 per share, representing about $23,500,000. This stock, together with an additional block, will be taken over by International Paper and Power and will give it more than 91 per cent. of New England Power Association common stock.

HOWE LUMBER BUSINESS GOOD IN EARLY STAGE

May Pay Dividend on Common if Trade Keeps Up

From Our Own Correspondent

MONTREAL.—Sales of the Howe Lumber Company for the first four months of its fiscal year were 20 per cent. ahead of the corresponding period of last year, and judging by the amount of unfilled orders, the expansion should continue to be at least 20 per cent. for the full twelve months period.

After paying quarterly dividends on the first and second preferred, and setting aside an amount of $5,000 for organization expenses, the company, it is stated, will show $1 per share earned on the common stock.

The mills in Three Rivers are running to capacity with day and night shifts. So great was the amount of unfilled orders two months ago that the company found it impossible to take any new orders until a few weeks ago, and salesmen were taken off the road. Proportionate with the increased business of the company's business, the company is considering the purchase of an electric crane, as well as three new trucks.

Common Dividend Likely

It is confidently expected by those close to the company that if its business continues at the present rate, dividend will be paid on the common stock on the company's first fiscal year after being financed.

It will be recalled that the public was offered an issue of $350,000 of 7 per cent. first preferred stock at $100 a share, with 50 per cent. bonus of common. To pay dividends on the common would constitute a somewhat unique record for the common stock.

Port Arthur Building

Port Arthur building permits for 1928 have passed the $5,000,000 mark creating a new record and also touching what is claimed to be a high water mark for any Canadian city, per capita.

NEWSPRINT TOTAL HIGHER LAST MONTH

Market Outlook Brightens as U.S. Dailies Report More Advertising

From Our Own Correspondent

MONTREAL.—Production of newsprint in Canada during September amounted to 185,059 tons and shipments to 194,233 tons. Production in the United States was 102,852 tons and shipments 107,894 tons, making a total United States and Canadian newsprint production of 287,911 tons and shipments 302,127. The actual tons produced per operating day by Canadian mills were 8,530 as compared with the average of 8,295 in the first nine months of the year and 7,004 tons in the corresponding nine months of 1927. The operating percentage was 80.0 as compared with the nine months average in 1928 of 81.2.

Canadian mills produced 212,177 tons more in the first nine months of 1928 than in 1927, which was an increase of 14 per cent. The United States output was 88,063 tons, or 8 per cent. less than for the first nine months of 1927. Stocks of newsprint paper at Canadian mills totalled 43,800 tons at the end of September and at the United States mills 35,687 tons, making a combined total of 79,487 tons, which was equivalent to 5.2 days' average production.

At the moment the outlook in the United States is for an increased demand for newsprint. For the first time in many months total daily newspaper lineage in 38 large cities of the United States showed a larger total than in the same months last year, according to the August totals compiled by Editor and Publisher. Of the 150 papers reporting 74 showed a gain in advertising lineage, 74 showed a loss and 2 no comparison. The gain, however, exceeded the losses by 1,276,419 lines.

Thunder Bay Paper Plant Operations Temporarily Cut

From Our Own Correspondent

MONTREAL.—The shutting down of the Thunder Bay Paper Company's mill at Fair Point, Port Arthur, is only temporary while some departments will continue to operate. This company is a subsidiary of the Consolidated Water Power and Paper Company.

The paper mill will remain closed during October, but it is expected to resume the manufacture of newsprint some time in November.

In the meantime the Current River groundwood mill will continue to run as usual and there will be no cessation of operations at the woodpulp and the Fair Point mills. It is the intention of the company, while the mill is shut down, to pay a portion of the wages earned by the men while working full time, to a considerable number of employees as long as they are without employment.

Montreal Shipping Larger

To date the records of the Port of Montreal show seven more ocean steamship arrivals this year than last, (at 955) despite the late opening of the season of navigation this year—April 26th, as compared with April 17th last year. There is, however, a decrease of 11 coasting craft (at 279) as compared with 1927. Ocean passenger lists showed 9,300 more names. The current season is expected to set new records.

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NATIONAL BRICK MAY SEEK MEANS TO PAY ARREARS

Higher Current Earnings Reflect Improvement in New Building

From Our Own Correspondent

MONTREAL.—Earnings of the National Brick Company, of Laprairie, this year are said to be running about $10 a share on the preferred stock. This compares with $7.21 in the year ended February, 1928, and $6.10 in 1927.

From an investment angle the record of the company has been disappointing. The liquidation of the dividend arrears of the preferred, which now amount to 24 per cent., still seems some distance away.

For the past three years the regular seven per cent. dividend has been paid and in 1925 only 3 per cent. Nothing has been paid on the common, of which 20,000 shares of $100 each are outstanding.

It is more than likely that some reorganization of capital may take place before long. It is generally understood that the preferred shareholders may receive some common stock together with a cash payment for the renouncing of the arrears in dividends.

Large Capital Set-up

In addition to the common stock, the capitalization of National Brick consists of outstanding $3,339,600 of 7 per cent. preferred stock. Furthermore the company has authorized but unissued $750,000 of 6 per cent. first mortgage bonds which are kept in the treasury and used from time to time as collateral against bank loans.

As far as current operations are concerned, the company is doing exceptionally well. The large amount of building in and about Montreal and district, has created a good demand for the company's products.

National Brick operates four plants, all in Quebec, with a capacity per day of about 450,000 bricks and 100 tons of hollow building tile. Insofar as capacity and facilities to supply the trade are concerned, the company is in a position to turn to advantage any new developments.

Combine Less Expensive

According to Thomas Bradshaw, manager of the Massey-Harris Company (dealers in farming implements) the use of the combine in the harvest fields cuts the costs to one-third. The combine is gradually replacing the binder, he said.

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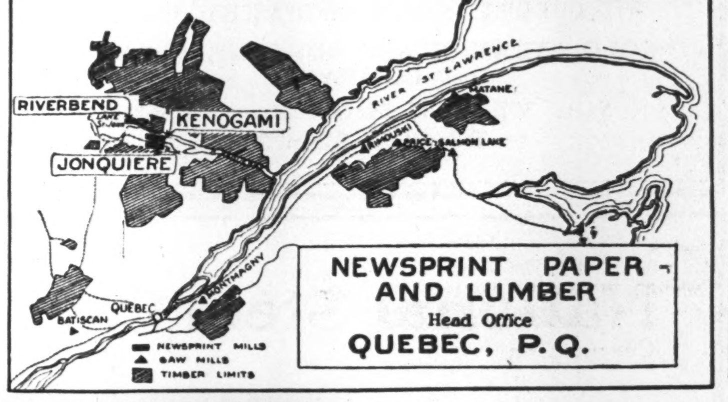

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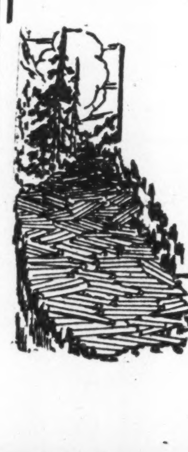

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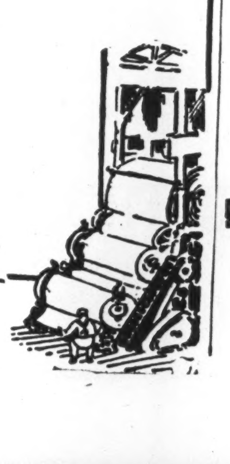

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Pine Falls, Manitoba
Daily Capacity 2200 Tons Newsprint
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This booklet contains facts pertaining to our processes as applied to paper manufacture, by which methods inferior woods may be utilized and the cost of manufacturing paper materially reduced.
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We built our first barking drum over twenty years ago, and 20 years' experience has gone into our latest design.
The enormous expansion of the Pulp and Paper Industry and a constant demand for increased production has forced a radical change in drum design, size and construction. As usual, we were the first to meet this demand. Our latest design drum will out-last any barking drum we know of, with maintenance costs practically eliminated. This drum costs more to build, but your barked wood will cost less. The purchase price of a William Hamilton Barking Drum represents a "drum life" investment that makes it the cheapest drum on the market.
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Your Investments

Investment questions and problems submitted by subscribers of The Financial Post will be answered by letter and those of general interest will be published on this page. We cannot extend this service to non-subscribers. A two-cent stamp or stamped envelope must always be enclosed to cover the direct reply. Write mining and insurance inquiries on sheets separate from other investment inquiries.

Riverside Silk

Please give me some information as to Riverside Silk Mills. Do you consider it a good investment at the current price of 32?

Riverside Silk Mills was put out by a responsible investment banking house. Our information is that earnings are satisfactory, and in the circumstances the stock looks to us to be an attractive investment of a speculative nature.

B.A. Oil

I have about $5,000 to invest in good common stocks and would appreciate very much if you would give me your opinion as to the most likely shares that will appreciate in value during the next six months.

Do you think British American Oil is a good investment at present prices?

Five common stocks which we consider attractive for investments are: Winnipeg Electric, City Dairy, Power Corporation, Brazilian and International Nickel.

We do not know if these stocks will advance in price in the next six months, because fluctuations are affected by general market conditions which the best experts cannot foresee with exactitude. But we believe that under reasonably good market conditions the stocks of these companies steadily will advance in value because the companies themselves are making steady and substantial progress.

British American Oil is a company which does not give out much information concerning its earnings and operations. But it has proven an excellent investment in the past, and in view of the growth of the country, the growth and the demand for gasoline and oil, under continued good management as evidenced by external appearances, one would class the stock at this time as promising.

Gatineau Power

For some time, I have been considering the purchase of Gatineau Power debentures. What is your opinion of this security?

Gatineau Power debentures a : in our estimation an excellent investment. As the Ontario Hydro Electric Commission commences to absorb more and more power from this company the investment position of the debentures will strengthen.

International Pete

I have on margin 50 shares International Pete bought at 40. Would you advise selling if the stock comes nearer the price of British American Oil and buying outright British American Oil. To the writer it would appear better to switch.

The question as to whether you should switch from International Pete to British American Oil is one which we feel unable to answer.

International Petroleum is one of the most attractive oil stocks, in our opinion, and with the probability that there has been a tacit agreement as to production of crude oil in foreign fields, it is possible that profits of International Petroleum will rise more rapidly.

International Petroleum produces crude oil at low cost.

British American Oil, on the other hand, is largely a wholesale and retail distributor of gasoline and other oils. These companies enjoy a fair margin of profit and the demand for their products rapidly is growing in Canada.

Both are sound companies. Might it not be advisable to hold twenty-five shares of each, rather than fifty shares of one?

German Municipal Bonds

I am enclosing two German municipal bonds which I purchased a couple of years back. Have they any value today?

The majority of the German municipal and government bonds issued during the post war period are virtually worthless to-day. There are a few, however, which have an intrinsic value. You might get in touch with the Commissioner of German State Loans, New York City, who will be able to give you authentic information.

Can. General Trust

I have been approached to buy some stock in the Canadian General Investment Trust. Do you consider this a safe buy?

The first Canadian General Investment Trust is probably the largest of its kind operating in Canada to-day. Its management is composed of well-known business men who have been successful in their own lines of activity. The report brought out for the first year of operation revealed earnings in excess of dividend requirements on the common stock. We are given to understand that the trust came through the last spring in the stock market very successfully.

B.C. Power

Would you please give me some information on B.C. Power Corporation? Do you think this stock will appreciate in the future?

Both the "A" and "B" stocks of the B. C. Power Corporation might be classed as a long hold proposition. The position of the B. C. Electric Railway in British Columbia is one of strength. As the B. C. Electric Railway grows so will the B. C. Power Corporation. The former has been a consistent money maker for several years past and the financial report for the year just ended while incomplete, reveals good earnings. In time the stock of B. C. Power Corporation should show a substantial appreciation in market value.

Canadian Vickers

What do you think of Canadian Vickers as a buy at the present time? Is the company doing well?

Although Canadian Vickers is doing exceptionally well at the present time it should be remembered that this company's earnings fluctuate largely from year to year. During years of heavy building programs or construction of ships, etc., the company is a large money maker. In other years, when business is not as good as it is now, overhead expenses rapidly eat into reserves and it takes the company a long time to come back. Accordingly the stock is speculative but under current conditions an attractive speculation, particularly in view of its activities.

Power Corp.

Understand that Power Corporation of Canada stock offers attractive possibilities for an immediate advance in price. What is the outlook for the company?

Power Corporation common stock presents attractive possibilities. Its earnings during the past year have grown very substantially and investors are beginning to appreciate the potentialities of this company. Its report, brought out a week or two ago, showed a great improvement over the preceding year and also very substantial earnings on the common stock. At its current level of about 76 we think that the stock is conservatively valued; the book value of the shares is something like $66. It is an attractive investment for a business man.

Oil Stocks

How do you regard the Second Diversified Standard Securities? Would you invest in the stock of this company rather than that of the Imperial Oil or British American Oil?

Investment in the Second Diversified Standard Securities is a business man's investment. The success of an enterprise of this type necessarily depends on the capabilities of the management. The first company has been in operation a short while and has been moderately successful.

We would place either Imperial or British American Oil ahead of the Second Diversified Standard Securities as an investment. Imperial Oil is now regarded as a very sound investment security while British American Oil ranks high among the oil stocks.

Seven of the Best

Realizing the general reliability of your forecasts, I write for your opinion and advice in respect of an investment I propose to make up to $5,000 in a series of good Canadian common stocks, having in mind a reasonable advance in the course of the next six months. Kindly quote your opinion in sequence of merit and make a suggestion by submitting a list of securities you would recommend.

Our choice of seven leading Canadian common stocks, more or less in order of merit, would be as follows:

Canadian Pacific Railway, Royal Bank of Canada, Imperial Oil, Toronto General Trust, Montreal Power, City Dairy and Steel of Canada.

We do not know that any of these is going to advance in market value in the next six months. But we are convinced of the investment merit of these stocks, and believe that over a term of years there will be a substantial appreciation in all. And it is often true that the stock which is bought for the long pull quickly makes a profit if market conditions are favorable. We do not know that market conditions are favorable at this time, but you probably have observed that persons who wait for the propitious time to buy often lose opportunities for profit.

If you were to concentrate on the high-price stocks in this list your $5,000 will not go very far, but if you were to buy one or other of the high-price stocks and spread the rest of your funds over the lower-price stocks like Imperial Oil, Montreal Power and City Dairy, we believe that you would have an attractive list.

Dominion Square Corp.

In rounding out my investments, I am considering the purchase of some first mortgage bonds of the Dominion Square Corporation. I would appreciate having your opinion on this security.

Dominion Square Corporation first mortgage bonds are ranked among the better class of that type of security. The corporation is now building a fine structure on one of the most valuable pieces of property in Montreal. There is a substantial junior equity in this company and the conservative appraisal value of the property and buildings strengthens the position of the first mortgage bond holders. The revenue is estimated on a reasonable basis. The bonds are suitable for inclusion in an investment program.

Western Steel Products

Would you kindly give me your opinion on the underlying security and the general attractiveness of the bonds of the Western Steel Products?

The 6 per cent. first mortgage sinking fund twenty year bonds of Western Steel Products, Limited, are a first mortgage upon all fixed assets and a floating charge upon current assets of the company named. The fixed assets as valued by the auditors of the company show at $2,072,000. The total of the bonds outstanding is $1,150,000. The security, therefore, in our opinion, is ample.

Earnings of the company in the last three years have averaged about 4½ times the bond interest requirements. It is believed that the 1928 earnings will be about six times interest requirements.

Loblaw

We wish to have your opinion regarding Loblaw Groceteria common stock. We are particularly anxious as to the future of this company as we are holding considerable stock. Do you think the interest this company has in the Loblaw company incorporated in the United States will increase the value of the Canadian stock?

We would not advise anyone to keep too many eggs in one basket. At the same time we have considerable faith in the future of Loblaw Groceterias.

There is new competition in the chain food store business in Toronto and Montreal, but we believe that the groceteria type of store will continue to attract trade.

Loblaw Groceteria is an excellently managed company and there is no reason to anticipate that the earnings per share will decrease. Loblaw Groceterias, Limited, owns slightly more than 50 per cent. of the common stock of Loblaw Groceterias Incorporated, a company with a New York State charter. This company has been operating stores in Buffalo and vicinity for a number of years and in the last year has opened a number of stores in Chicago. The volume of business in the Buffalo stores gradually is increasing, and while the business in the Chicago stores is not yet at a point where it is safe to asert that the future is assured, enough has been accomplished to lead the directors of the company to expect ultimate success.

The groceteria type of food store thrives best in populous communities and for this reason it can be expected that the United States will be a fertile and profitable field for expansion. Ownership of a controlling interest in the United States' company is potentially a great asset to the Canadian company.

Long-Pull Attractions

A number of young men of fairly substantial means in Chicago have been operating an investment trust. In recent months it has been determined to invest in a number of the leading Canadian companies. We do not care about immediate return. We are interested in stocks which show some reasonable chances of appreciation over a term of months or years. We are not averse to an attractive speculation.

Please let us have your views on the most attractive Canadian stocks.

We have decided that the following stocks are among the most attractive on the Canadian stock exchanges:

Imperial Oil, Montreal Power, Canadian Pacific Railway, Power Corporation of Canada, British Columbia Power, International Petroleum, Brazilian Traction, Royal Bank, Loblaw Groceteria, Price Brothers, Toronto General Trust, Noranda, Consolidated Smelters and International Nickel.

No effort is made to arrange these in order of merit.

We have paid no attention to dividends at the moment, although Noranda and Power Corp. are the only stocks which are not now paying dividends.

British Columbia Power "A" stock is on a dividend basis and should show some appreciation in market value. However, we are inclined to favor the "B" stock as a speculative purchase.

You understand the situation as regards Imperial Oil which is a subsidiary of Standard Oil of New Jersey.

The situation may be summed up there by reminding you that no part of Canada can progress without benefiting Imperial Oil. Gasoline is sold at a higher price in Canada than in the United States. Imperial Oil owns controlling interests in a number of companies drilling in the Alberta field, and also owns about 65 per cent. of the stock of International Petroleum. We understand that International Petroleum produces crude oil at a lower price than most other companies operating in foreign fields.

International Nickel, in our opinion, is one of the most attractive of the long pull stocks.

Consolidated Smelters is increasing its earnings at a rapid rate.

Toronto General Trusts Corp. is one of the four or five leading trust companies in Canada, with substantial reserves. The company operates a number of branches in Western cities, and is in position to benefit greatly from the actual and potential development of the Prairie Provinces.

Price Bros. & Co. is one of the leading newsprint companies, and is also in the lumber business in a substantial way. It operates at low costs, is under able management and has pulpwood and timber reserves which are larger than some kingdoms.

Industrial Alcohol

Would you please give me your opinion on Canadian Industrial Alcohol? Do you consider the stock good for a hold?

The position of Canadian Industrial Alcohol from an operating standpoint is very sound. In last week's issue of The Financial Post there was an article covering the current situation. It was pointed out in the story that at the end of this year the company expected to have in its storage racks approximately 10,000,000 gallons of alcohol. This puts a tremendous equity back of the common stock and one which should stimulate confidence among the shareholders in the soundness of the management. The company's sales are satisfactory and plans are now under way to increase its markets.

We think that if you hold the stock of Canadian Industrial Alcohol over a period of several years, it will show you a substantial appreciation in value.

Wants Security

I have $8,000 for investment. I want to place this money in sound securities with little chance of any loss in principal. A yield of 5 per cent. is desirable. As I am not interested in common stocks, what would you recommend?

For the investment of $8,000 to yield about 5 per cent., we would divide this in the ratio of $5,000 bonds and $3,000 in preferred stocks. Of bonds we would suggest the following: Montreal Tramways "A," Alberta Pacific Grain 6's, Bell Telephone of Canada 5's, Series "B," Canada Cement first mortgage 5½'s, Canada Steamship Lines 6's, Gatineau Power first mortgage 5's, Massey-Harris first mortgage 5's, Montreal Coke & Manufacturing 5½'s, Port Alfred Pulp and Paper 5½'s, and one or two sound municipal or provincial bonds. The following preferred stocks are suitable for a man in your position: Howard Smith, Canadian General Electric, Alberta Pacific Grain, City Dairy, Laura Secord, Ogilvie Flour, Lake of the Woods, Power Corporation, Canadian Bronze, Sherwin Williams, Dominion Textiles, and Winnipeg Electric.

Imperial Oil

We have $8,000 on hand which we contemplate investing when conditions marketwise are favorable. At the present time we think N. Y. influence is felt locally and possibilities of a break there in the near future would warrant us being ready to cash in on that event should it ever come. Splitting this amount three ways we have selected this list in order of preference, would say that we prefer common stocks paying a reasonable dividend and a possible chance of market appreciation over a long term hold, we are not speculatively inclined.

Imperial Oil; Building Products; Int. Nickel; Steel Co. of Canada; Atlantic Pacific; Con. Smelters; Montreal Power or Winnipeg Electric; Massey-Harris; City Dairy; Consumers Gas; Page Hersey; General Steel Wares.

We would appreciate your suggestions in regard to the above. Very possibly you can place these otherwise that will work out to our financial advantage.

We might add that at present our strong box contains what we consider sufficient of the following common stocks: C.P.R., Bell Telephone, Bank of Montreal, Bank of Commerce, McIntyre, Teck Hughes and Hollinger.

Your selections are interesting, and we do not know that we could improve on the list for the long pull. We probably would be inclined to eliminate Building Products on the assumption that this is a small company and that under present market conditions the smaller companies are likely to be overlooked. Consolidated Smelters is highly attractive, as is Steel of Canada, but these are high-priced stocks, and if you were to buy into these two companies, your $8,000 would not go very far.

We believe that every investment list should include some shares of Montreal Light, Heat and Power Consolidated.

Consumers' Gas is an excellent stock and is a first-class background for an investment list which perhaps is deficient in bonds and preferred stocks. Consumers' Gas ranks as well as many industrial bonds. However, while there will be appreciation in the market value of the stock as interest rates decline and as the company from time to time issues rights on new stock market appreciation will be moderate, in all probability.

As we gather that the money you have for investment now forms surplus funds from a business enterprise we think that you reasonably could spread it among such stocks as Imperial Oil, International Nickel, Alberta Pacific Grain, Winnipeg Electric, Montreal Power, City Dairy and Page-Hersey.

Massey-Harris and General Steel Wares are good stocks, we believe, but possibly the pull will be longer in these than in some of the others we mention.

When Women Invest

Married Woman Needs to Reinvest $5,000 Now in Bonds to be Redeemed; Two Others Suggested with Discussion of Possibilities of Four of Soundest Common Stocks; Silverwood-Burke.

A WEEKLY FEATURE

Silverwood-Burke

Would you consider Silverwood-Burke an investment or even a half-decent speculation for a woman of limited means?

Do you consider Eastern Dairies common at 40 a fair speculation for a man who can afford to take a chance?

We hardly think that the preferred stock of Silverwood-Burke Dairy Limited, Hamilton, Ontario, is a conservative investment for a woman. The fact that Silverwood Burke preferred stock is not being taken in to the Silverwood, Limited, holding company is an indication that Silverwood-Burke has not yet achieved a thoroughly sound earning position. All of these companies are controlled through the ownership of common stock by Silverwood, Limited, or by A. E. Silverwood, personally. The preferred stock of a number of the companies, however, still is in the hands of private investors and we understand that it is not the intention of the holding company to offer its stock in exchange until each of the dairies in the chain has worked into a thoroughly sound position.

Eastern Dairies, Ltd., is a company about which no very specific information is obtainable. The stock originally was offered by an investment banking company which has achieved some notable success in the utility field, but from the best information we have been able to obtain, it does not appear that the Eastern Dairies itself, as yet, has achieved any great measure of success.

If you wish to invest in the dairy business, undoubtedly the best of them all is City Dairy, Toronto. The preferred stock of City Dairy is an investment of the highest grade and the common stock has been and will continue to be, we believe, a profitable investment of a conservative nature.

Our client, a married woman, owns the following securities:

Dom. and Prov. bonds	$11,050
Canada Bread bonds	1,800
Can. Con. Felt bonds	3,500
Dom. Canners bonds	2,500
Spanish River bonds	5,000
Steel of Canada bonds	4,000
	Shares
Dom. Power & Trans. pref.	95
National Trust Co.	30
Great Northern Rly. pref.	11
Can. Westinghouse	65
Int. Harvesters, com.	25
Bell Telephone, com.	21
Consumers Gas, com.	15

The Spanish River bonds amounting to $5,000 have been called for redemption.

Will you please look over this list and let us have your opinion regarding the re-investment of these funds?

Two sound bonds which might reasonably replace the Spanish River bonds which have been called for redemption are the Canada Cement first mortgage and the Price Bros. & Co. first mortgage. These will give a yield, at present prices, of better than 5 per cent.

We note that your client holds a number of sound common stocks. As she is a married woman, it is possible that she is at the moment interested more in the possibility of appreciation of principal than in the yield from her investments. If that is the case, she may prefer to invest in common stocks, where a high degree of safety is combined with the possibility of appreciation of principal.

Four of the Best

If she is interested in such common stocks, we think she advisedly might add a few shares of such stocks as Montreal Power, Shawinigan, City Dairy and Imperial Oil. The current yield on these is very small, but we are of the opinion that, if Canada grows, these companies will grow also. Growing companies mean increased earnings; increased earnings ultimately mean increased income to the shareholders.

These are four of the soundest Canadian companies in essential industries. Market values of the stocks inevitably will fluctuate and buyers now may show a loss within a few months. But we are firmly convinced that the long-term trend will continue upward, perhaps rapidly upward.

Dominion Power

A resident of Hamilton probably is interested in local enterprises, especially, as is apparent, Hamilton is growing and will continue to grow rapidly. A well-managed utility is Dominion Power & Transmission Co., which is controlled by Power Corp. of Canada. Investment in Power Corp. of Canada at this stage strikes us as a promising speculation. It is not yet suitable for the most conservative investment list and, as no dividends are paid, the common would not do for a woman or any other person who is dependent for living expenses on income from investments. Yet a married woman may reasonably venture a part of her funds in non-dividend-paying common stock of enhancing merit, while the preferred stock of Power Corp. gives a good yield at present prices. The preferred of Dominion Power also is sound, but your client already holds a substantial block.

The most important company controlled by Power Corp. is Winnipeg Electric. It would seem that Winnipeg and Hamilton both are likely to grow rapidly in the next few years and this growth will benefit greatly the utility companies serving those cities.

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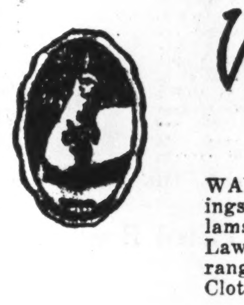

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CANADIAN STOCK AND BOND QUOTATIONS

Stock Market Record

WEEK ENDING OCT. 16

	Div. Rate	Yield Oct. 15	High for wk.	Low for wk.	Close Oct. 16	Close Oct. 9	Sales for wk.	Range 1928 High	Range 1928 Low
Banks—									
Commerce	12+1	4.49	290	282	288	288	297	335	277
Dominion	12+1	4.98	262	260	262	262	95	300	250
Can. Nationale	12+1	5.26	190	190	190	190	[illegible]	[illegible]	[illegible]
Imperial	12+1	4.98	265	260	262½	261	[illegible]	[illegible]	[illegible]
Montreal	12+2	3.78	375	365	375	375	[illegible]	[illegible]	[illegible]
Nova Scotia	16+1	4.10	390	390	390	390	[illegible]	[illegible]	[illegible]
Royal	12+2	3.93	378	378	381	380	[illegible]	[illegible]	[illegible]
Standard	12+1	4.71	288	287	288	288½	[illegible]	[illegible]	[illegible]
Toronto	12+1	4.71	276	276	276	275	1	340	235

Papers—, Steel and Coal Industries—, Milling, Foodstuffs and Merchandising—, Utilities—, Transportation—, Tractions—, Textiles—, General Industries—, Beverage—, Oil—, Trust and Loan—: [illegible]

CURB AND UNLISTED MARKETS: [illegible]

xQuotations for 1927. No sales recorded in 1928 to date.

Unlisted Stocks

Quotations furnished by A. J. Pattison Jr. & Co., Toronto.

These approximate prices are as at 4 p.m., Oct. 16, and as most transactions in unlisted stocks are the result of personal negotiation, these figures cannot be guaranteed.

Industrial Stocks: [illegible]

Trust and Loan Stocks: [illegible]

Insurance Stocks: [illegible]

Club Shares: [illegible]

Recent London Quotations: [illegible]

Recent Vancouver Quotations: [illegible]

Recent Winnipeg Quotations: [illegible]

Foreign Exchange

NEW YORK FUNDS

	High (Premium)	Low	Last year High	Low (Discount)
Oct. 11	Par	x1-64	7-64	1-8
Oct. 12	Par	1-64	7-64	1-8
Oct. 13	1-32	Par	7-64	1-8
Oct. 15	1-32	1-64	7-64	1-8
Oct. 16	1-32	1-64	7-64	1-8
Oct. 17	1-32	1-32	7-64	1-8

x-Discount.

STERLING, FRANCS AND LIRE: [illegible]

FOREIGN EXCHANGE: [illegible]

NEW YORK CURB: [illegible]

Listed Bond Movements of the Week

Week Ending October 16

Bonds	Int. Rate	Due	Yield	Range 1927 High	Low	Range 1928 High	Low	Ask	Latest Price Bid	High	Low
Canada Bread	6	1941	5.14	107½	105	109	103		108		
Can. P. & P. deb.	6	1956	6.02			102	99		99		
Mex. L. & Pr.	5	1940	7.17	87	80	88	81½		82		
Montreal Tram., 1st	5	1941	5.00	101		96½	100½	98¼	100		
Do., gen. mtge.											
N. S. Steel	6	1955	5.06	100							
Wayagamack	6	1950	5.91	102	99	94	101	97			
War Loan	5	1937	4.70								
Victory Loan	5½	1933	4.75	104.80	100.75	106.70	102.00		104.20	103.50	
Do.	5½	1934	4.76	106.75	102.80	107.30	101.40	101.60	101.60		
Do.	5½	1937	4.64	104.70	101.50						
Do., Refund	5	1943	4.70	106.80	102.80	110.95	105.75	102.00	104.80		
Do., Refund	4½	1944	4.66	102.40	105.50	102.80	102.80	102.80	102.80		
Do., refund	5	1946	4.71	103.10	100.50	106.00	102.40	105.00	101.75		
Do., Renewal	5½	1932	5.00	102.70	96.70	101.25	99.40	99.80	100.10	99.80	101.40

Xmas Tree Trade Good

The export of Christmas trees from New Brunswick to the Atlantic Coast region of the United States will be larger this year than last by 25 per cent. judging by present signs.

Many Harvesters Remain

Employment officials state that out of the 6,000 British harvesters brought to Saskatchewan at least 75 per cent. will remain in the west to become permanent Canadian citizens.

Seaplane Aids Forestry

A new de Havilland seaplane carried out aerial dusting operations in the territory about the Soo last week for the purpose of exterminating the spruce bud worm and hemlock looper. The local officials of the Ontario Forestry Department state that very gratifying results were obtained by the dusting operations.

Flood Barnes & Co. Ltd. Active Bond Prices

[illegible]

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ENGLAND IS SHOWN COMBINE IN ACTION BY MASSEY-HARRIS

Demonstration in Wiltshire Advances Machine in Britain

From Our Own Correspondent

LONDON.—Several score of ruddy-cheeked English farmers gathered recently on a large downland field of wheat in Wiltshire to see their first demonstration of the far-famed Massey-Harris harvester-thresher "combine" in action. They were there on the invitation of the Institute of Agricultural Engineering of Oxford University which had imported a machine from Toronto for the purpose of testing its practicability in the peculiar conditions of the British Isles. The surface was undulating and the crop a good one, fairly ripe, though apparently not quite ripe enough to give the best results for the machine. But the demonstration was a great success and the machine, as a labor-saving device, was voted to be all it claimed to be.

Every new invention evokes criticism in England and the "combine" was naturally no exception. Most of the farmers, however, were thoroughly constructive in their suggestions. Several, for example, said that their lanes and permanent stone gates were too narrow to permit the passage of the "combine" which, when folded, was 11 feet wide. They were inclined to think that for the British Isles and the Continent as well, where wide lanes are the exception and thrifty narrow lanes and bridges the rule, a smaller machine would prove more acceptable.

See Success in Europe

The single feature that most pleased them was the smoothness with which the combine managed the very uneven roll of the ground. Most of the debate centered around the question whether wheat in England got, during the average summer, sufficiently ripe and dry to give the machine a real chance. In this particular case, as a matter of fact, the grain as bagged was not quite dry enough for keeping in bulk and the Institute of Agriculture later ran it through its drying machine. But it was agreed that conditions in the British Isles are exceptional and that for the greater part of the grain-raising areas of Europe it should be as successful as it seemed to be in Canada and the United States.

According to the Ministry of Agriculture, only two other "combines" have been imported into the United Kingdom. One was a machine valued at $1,300 imported in 1926 and another, valued at $868 brought in early this year.

The engineers of the Oxford Institute were very much pleased with the behavior of the combine. They declare that the principle is sound and that it should not be difficult to make adjustments which would permit the English farmer who uses it from saving more of the straw than the machine saves at present.

There will be other tests of the machine, especially to see how it behaves in a field infested with poppies—the bane of the English farmer—and also how it manages with barley.

Mine Products Led Freight Traffic Movement in July

From Our Own Correspondent

MONTREAL. — Revised figures on freight traffic in Canada show a total movement in July of 9,030,755 tons as compared with 8,064,544 tons in the preceding month and 8,941,145 tons in June, 1928. Of the movement for July last, Ontario counted for 4,128,213 tons; Quebec 1,653,375 tons; Nova Scotia 708,334 tons; British Columbia 670,513 tons; Alberta 650,228 tons; Saskatchewan 537,416 tons; Manitoba 477,600 tons; New Brunswick 197.176 tons and Prince Edward Island 7,900 tons.

It is interesting to note that mine products led all other classifications during July, 1928, in volume of freight, some 3,279,756 tons being handled. Manufacturers and miscellaneous products were next in importance with a movement of 2,611,718 tons, followed by agriculture, 1,462,874 tons; forests 1,410,232 tons.

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Now in Halifax

OTTO R. HUBLEY, who has recently been appointed manager of the new Halifax office of the investment banking house of H. B. Robinson & Co., Montreal. Mr. Hubley was formerly sales director of F. J. Fairhall and Associates, Limited.

OUTDOOR POSTER CONCERN PROSPERS

Asch Ltd. May Declare Dividend on Common Shortly

From Our Own Correspondent

MONTREAL.—It is understood that there is a fair possibility of a dividend being declared on the common stock of Asch Limited at the first of the year. Operations of the company are said to have been entirely successful up to the present time this year, and earnings are reported to be in line with estimations made at the beginning of the year.

Asch Limited is the largest outdoor advertising concern in Canada. Its real estate holdings in Montreal include some valuable sites which have appreciated very considerably since they were acquired by the company many years ago. In the event of a sale of the most important holdings, a sufficient amount to retire the preferred stock outstanding would be realized, and this course might possibly be adopted. There is a wider diversification in the advertising accounts handled by the company, which, as in other cases of diversification, tends to strengthen the company's position. Asch Limited owns a complete plant in Montreal and a branch office and plant in Ottawa. Representation through associated companies carries its activities across the continent and into the United States. Property, free of mortgage, is valued at $527,838.

There is $500,000 in preferred stock and 20,000 shares of common n.p.v. outstanding. The company has no funded debt. The high mark for the common this year was 30 and the low 18. Recent quotations were in the neighborhood of $20 a share.

FARM EQUIPMENT BUSINESS BETTER ON THE PRAIRIES

Imports from States Indicate Record Volume of Trade

From Our Own Correspondent

MONTREAL.—If the business received by American companies from their Canadian agencies is any indication of the improved market in this country, Massey-Harris and other Canadian farm implement manufacturers should be doing a record volume of business this year. Various estimates have been made as to the possible earnings of Massey-Harris this year, but as the company has not made an official announcement either as to the volume of sales or as to the amount of business on its books such estimates are largely guesswork.

The marked improvement in the financial position of the western Canadian farmer during the past two years, however, has brought about a vast improvement in his purchasing power. Furthermore, the good crops of 1926 and 1927 enabled the farmers to clear up many of their old obligations taken on during the bad years of 1922, 1923 and 1924, so that they entered 1928 in a healthier financial position than at any time during the past decade.

Sets New Record

The record of the American agricultural implement firms during the first eight months of this year is striking evidence of the prosperity of the farmers and the demand for improved equipment and replacement of wornout machinery. In the eight months ended August last, exports of implements from the United States reached a total of $81,868,133. This amount was greater than any of the shipments in any of the boom years immediately following the war and exceeded exports of 1920, in which year shipments reached their peak and which was the last year before the post war deflation period. Furthermore they exceeded those during the first eight months of 1927 by approximately $18,000,000.

Wheel tractors comprised the largest item shipped during the first eight months of 1928 and amounted to $29,204,961. Canadian purchases of tractors during this period were extremely large, amounting to 14,962 machines valued at $13,900,977. This was a considerable increase over purchases during the corresponding period of last year.

Combines in Demand

The second largest item in the shipments for 1928 was combines, a total of 6,189 machines valued at $9,045,365 going to foreign countries, this figure representing a large increase over the exports for the like period of 1927. The bulk of the shipments went to Canada and Argentine, Canada alone takes more than half the total.

Despite these large shipments of combines exports of grain harvesters and binders, as well as threshers, to Canada were maintained at high level, threshers showing a large increase while harvesters and binders decreased slightly as compared with the first eight months of 1927.

If a proportionate increase was recorded by the Canadian farm implement firms during the same period the operating profits for this year should establish a new record.

New Winnipeg Manager

George C. Vale has been appointed to succeed F. S. Long as manager of the Winnipeg branch of the Royal Trust Co. Mr. Vale joined the service of the company in 1909 in Toronto. After several years' service in the war he returned to the Hamilton branch of the company, and came to Winnipeg in 1920 as assistant manager of the estates department.

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	Clothing and Cotton Fabrics

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CANADIAN VICKERS STAND TO BENEFIT FROM AIR HARBOR

Plans Being Prepared for Official Base Near Plant

From Our Own Correspondent

MONTREAL.—Canadian Vickers Limited, stand to benefit by the creation by the Montreal Harbor Commissioners and the Department of National Defence of a modern air harbor for Montreal, with the provision of customs and immigration buildings and all other equipment.

The new air harbor will be near the former location, operation by Canadian Vickers as a mooring area for visiting flying boats and sea planes, though it will be more approachable by the general public, who will not have recourse to its entry through the company's plant.

Two breakwaters 300 ft. in length will be built out to the river to provide comparatively calm waters for mooring machines and two floating platforms will be installed to enable aviators, passengers or other interested parties to embark or land from the respective planes.

The new air harbor will be equipped with flood lights and other mediums necessary for safe aerial navigation. One portion of the mooring area will be used by Canadian Vickers for their own machines, while the other will be for visiting aircraft.

The completion of this enterprise should be of considerable benefit to Canadian Vickers inasmuch as it will provide better facilities for its own machines and will necessarily prove of advertising value to Canadian Vickers. As no annoucement has been made regarding the rebuilding and repairing of visiting machines, it is presumed that this business will be carried out by Canadian Vickers.

Wheat Shipments Show Advance During Month

From Our Own Correspondent

MONTREAL.—An increase of nearly 100 per cent. in the volume of wheat exports is shown in the report of the department of Trade and Commerce for September last as compared with the corresponding months of 1927. During the month 26,922,776 bushels of the value of $32,277,858 were shipped out of this country, as against 14,070,866 bushels, worth $19,798,318 of September, 1927.

Cumulative exports of wheat from Canada for the two months ended September, 1928, totalled 51,979,947 bushels to the value of $62,625,455. This compares with exports of 26,267,964 bushels, valued at $38,382,482 in the corresponding period of 1927.

At the same time there was a substantial increase in the export of wheat flour. During September 889,775 barrels, valued at $5,201,748, were exported as compared with 677,330 barrels, worth $4,648,879, in the same month last year. For the two months of the 1928 crop year, ended September 30, 1,814,421 barrels were exported as compared with 1,191,032 barrels in the corresponding two months of 1927, with values of $10,827,855 and $8,215,161, respectively.

Sixty Thousand Bonds Called by Government This Week

From Our Own Correspondent

MONTREAL.—Sixty thousand individual bonds totalling in value $53,000,000 were paid off by Dominion Treasury officials this week.

It is not possible to say how many people are effected, but $53,000,000 will be put into circulation or made available for investment or speculative purposes. The maturing loan is part of the war loan of 1918, which was refunded in 1923. The bonds have carried interest at 5 per cent. They are being retired out of surplus revenues.

Montreal Stock Exchange Now Holds Solid Sessions

From Our Own Correspondent

MONTREAL.—A continuous session from 10 a.m. to 3 p.m. is now being held by the Montreal Stock Exchange and the Montreal Curb market. The new hours became effective on October 16. The experiment has been tried in Montreal on previous occasions, but in each case the Exchange has reverted to the broken session, when trading entered dull periods.

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OTTAWA

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SPECULATORS' TAX RUNS UPON SNAGS, POOL ESCAPES TOO

Income Tax Department Forced to Get Along Without

BUT REVENUE IS UP

No Reference to Court in Wheat Pool Tax Matter Until Cabinet Meets

From Our Own Correspondent

OTTAWA.—In The Financial Post last spring various schemes of the income tax branch of the Department of National Revenue were announced which must have frozen the hearts of many tax payers in Canada. For one thing, stock exchange operators were to be taxed on the profits made out of trading in the market. For another, the Western wheat pools were to be taxed on their elevator funds and commercial reserves.

From these two sources, hitherto untapped, it was confidently predicted that the department would draw a million or more of revenue. But with the passing of the months, these expectations would appear to have been sadly over-optimistic. The income tax branch, it is true, has been practically re-organized in the last few months and has been made much more efficient than ever before, with the result that revenues this year will exceed those of last by several millions. This will be achieved, notwithstanding the severe reductions in the tax in the last few budgets. It may be predicted, safely, that the income tax will yield more than $60,000,000 this year.

But Not From Traders

However, a very small part of this will be drawn from stock exchange speculators for the good reason that the officials of the department have been unable to devise machinery to check up on this source of income and, as a result, all but the very large operators have escaped from the net so skilfully thrown by Hon. W. D. Euler and his subordinates. Some officials of the department say that the tax will really not become operative until payments on account of 1928 income are made, but there is reason to believe that the system may not be ready by then.

As to the wheat pools, the situation is even worse. As long ago as April last it was announced in The Post that the income tax department had assessed the pools for tax on these funds and that the pools, having declined to admit that these moneys were inome, the matter had been referred for decision to the Exchequer Court of Canada. That was as it ought to have been. The departmental procedure in such cases is that when there is a disagreement of this kind between the dapartment and a business firm, the firm may appeal to the minister and from his decision, if unfavorable, to the court. It is stated on the highest authority that there has never been a case since the income tax was enacted when the minister gave a decision against his own officials.

Mr. Euler Not Free?

The department, therefore, may be forgiven for announcing that the matter was virtually before the court. As a matter of fact, Mr. Euler would be the last to stand between the coffers of the government and a company which perhaps ought to pay taxes. But apparently, Mr. Euler is not altogether free to decide this question. At any rate, the dispute has never got beyond this secondary stage of an appeal to the minister and there is good ground for the opinion that the Western ministers, under pressure from the members and the supporters of the pools, have put up a stiff fight to prevent Mr. Euler referring the matter to the Exchequer Court. It would seem that they have insisted that no early action be taken but that the decision be delayed indefinitely. From what can be learned here there is no prospect of the matter coming before the cabinet for decision—a somewhat unusual procedure but specially invoked for the occasion—until the ministers now absent in Europe and elsewhere are back at their desks and the government has begun to prepare for the next session of parliament. Then it may be lost in the shuffle of more pressing matters and go over for another year.

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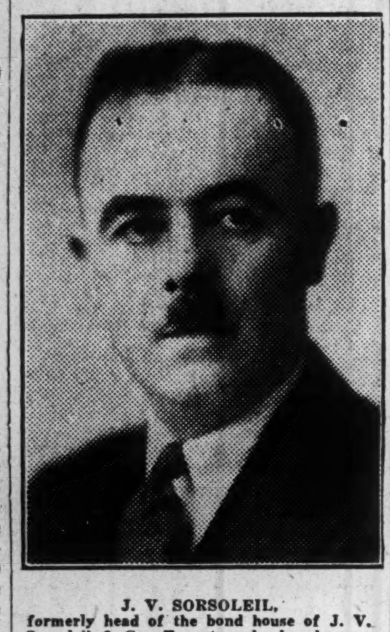

J. V. SORSOLEIL, formerly head of the bond house of J. V. Sorsoleil & Co., Toronto, who has become associated with H. R. Bain & Co. as Western Ontario representative.

TUCKETT TOBACCO PROFIT FOR YEAR WILL BE GREATER

Cigarette Consumption Continues to Grow Rapidly in Canada

For the fourth consecutive year, Tuckett Tobacco Co. will show an increase in net profits for the twelve-month period ending next March 31, according to the present outlook.

Although high customs and excise duties still encourage the smuggling of cigarettes from the United States, there has been a gratifying increase in the consumption of cigarettes made in Canada. Sales of pipe tobacco also show a steady growth, but Canadians are not smoking so many cigars as before the war.

Tuckett Tobacco earned $308,000 in the fiscal year 1926, $345,015 in 1927, and $408,569 in 1928. It is expected that the profits for the fiscal year 1929 will be in excess of $450,000 and may be in excess of $500,000.

Merger Talk Scouted

The company has an extremely able management and a strong board of directors. The balance sheet reveals a sound position.

From time to time there is talk of a possible absorption of Tuckett Tobacco by Imperial Tobacco, but it is believed that Tuckett Tobacco will continue its successful career as the largest of the independents. Both preferred and common stocks are listed on the Toronto exchange, but are not active. The last sale of the common was on July 20, at 110. Capitalization consists of $2,000,000 of preferred and $2,500,000 of common, both of $100 par value. The preferred dividend is 7 per cent. cumulative. The present dividend on the common is 4 per cent., but in view of the strong liquid position and the increasing earnings, it is thought likely that an increase in the rate will be not long delayed. The low price of the common this year has been 98 and the high 110. In 1927, the common sold between 69 and 75.

Dye and Chemical Company Making Satisfactory Progress

From Our Own Correspondent

MONTREAL.—Steady progress is reported by Dye and Chemical Co. of Canada, Kingston, Ont. The main products manufactured by the company include food colors (including butter color) of which the company is the only Canadian manufacturer. Largely increased sales have been made of the series of scientific detergents called "Mulsoid" products to the textile mills, laundries and dry cleaners, due to the training of a staff of demonstrator-salesmen.

The company has the advantage of joint advertising and interchange of technical information with the associated companies, Mulsoid Products Corporation in the United States, and the Mulsoid Company, in England, both of which are now manufacturing the range of Mulsoid products invented in the Kingston laboratories, and it is indicated that the Kingston Company is on a profitable operating basis.

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WEST CAN. FLOUR PROFIT IS HIGHER FOR LATEST YEAR

Profit Per Share Less Owing to Issue of Stock in 1928

Annual report of Western Canada Flour Mills shows net earnings of $409,797 for the fiscal year ended August 31, 1928, compared with $388,797 for 1927 and $280,851 for 1926. This is $2.16 on the 115,000 shares outstanding, compared with $2.63 per share on the 82,250 shares outstanding at the end of the last fiscal year.

Working capital shows a growth from $1,687,896 to $2,244,226 as the result of the sale of additional stock which enabled the company to retire its bank loan, which stood at $385,000 a year ago, and to reimburse itself for capital expenditures made in the previous year.

Cash Is Higher

The company's balance sheet reflects a sound condition. Goodwill has been carried at $1 for the last several years. Investment account shows an increase from $31,296 to $132,947. Fixed assets are virtually unchanged. Cash is increased from $50,774 to $277,829. Inventories are increased some $136,000 to $2,380,037. Bills receivable are virtually unchanged. Bills payable are up from $906,983 to $1,104,837.

In the report signed by D. B. Hanna, the president, it is stated that the crop of last season was difficult to mill, the adverse weather conditions having lowered the quality of what was a large crop. The new crop, it is stated, while probably the largest in the history of the Canadian West, is of better quality, judging by shipments already received at the company's mills.

Western Canada Flour Mills operates mills at Goderich, Ont., Brandon and Winnipeg in Manitoba, Calgary and South Edmonton in Alberta and at Victoria, B.C.

Following is the comparative profit and loss account for the last three years:

Income and Surplus Account
Years Ending August 31

	1928 $	1927 $	1926 $
Net earnings	409,397	388,797	328,096
Less bond interest	......	......	47,245
Net profits	409,397	388,797	280,851
Less appropriations:			
Pref. dividends	160,875	161,920	81,250
Com. dividends	140,875	120,750	175,375
Surplus for year	107,647	106,127	24,226
Add previous surplus	713,334	607,207	582,981
Balance car. forward	820,981	713,334	607,207

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QUALITY CANNERS' SEASON'S OUTPUT IS NOW COMPLETE

Production of New Merger Is up to Previous Peak

Associated Quality Canners completed its season's pack last Saturday. While some lines showed a decline in total pack, others showed substantial increases and the net result was that the merged canneries packed as many cases of vegetables and fruit as were packed in the best previous year by the independent canneries that went into the merger last spring. No figures on the total pack have been given out but it is understood that Associated's total pack runs to about 25 per cent. of the total pack of Canadian Canners.

May Pay $2 a Share

It is already certain that the 1928 pack is going to prove a profitable one for the company and two early moves on the part of the director are anticipated although they have not met yet to discuss either. One is the listing of the stock, of which 80,000 shares is outstanding, all of one class, and the second is the establishment of a dividend basis. Net earnings of the individual companies in 1927 aggregated $2.60 a share and the expectation is that 1928 will see these figures increased. In view of the fact that the company has ample working capital for all of its present needs the policy of the directors is likely to be to pay out a very substantial portion of earnings in dividends and a regular dividend basis of $2 a year is not outside the bounds of possibility.

The current year proved the advantage of consolidation in very marked fashion. Severe frosts injured the quality of tomatoes and corn in the western peninsula of Ontario. To maintain the quality of the pack, steps were taken at once to increase the pack of these items in the Eastern Ontario plants of the company where the local production of tomatoes and corn had not been injured. Thus the company was able to avoid the loss that would have followed from a shortage of raw vegetables to pack and which undoubtedly would have been a serious matter for some of the individual plants had the merger not gone through. Tomato pack was up to the quota set early in the year and the corn pack was up to the best previous total of individual plants, despite the frosts. Pea pack was heavier and some of the fruits, notably peaches, showed substantial increase.

Nearly All Sold

Company has had excellent results in marketing its 1928 pack and it is declared that all of the carryover from 1927 and at least three quarters of the 1928 pack have been sold.

Company is now giving attention to maintaining a high level of quality in its output and this involves considerable educational work among growers. Growers are being urged to use the highest quality of selected seed and the company is also showing them how to produce properly matured vegetables and fruits of select quality for canning purposes. Over a term of years it is anticipated that money spent in laying this foundation will return the company substantial dividends.

May Announce New Brand

No new brand names have been adopted by the company. The individual brands of the units—Quality Canners of Windsor, Harvest Canners of Hamilton, Hallowell Canners of Prince Edward Island and E. C. Metcalfe Canning Company of Deseronto are still being utilized although the different lines are being produced in the plants best suited for them and shipments are made with a view to freight rate savings. The company is likely however, to follow the example of Canadian Canners and replace some of its brands with a general brand of goods bearing the imprint of the whole merged organization and standing for a certain grade of goods.

Quebec Elevator Completed

The new 2,000,000 bushel grain elevator here is now finished and will begin operating at once. The contract called for its completion by October 31st, but the work of construction was speeded up by recourse to night shifts.

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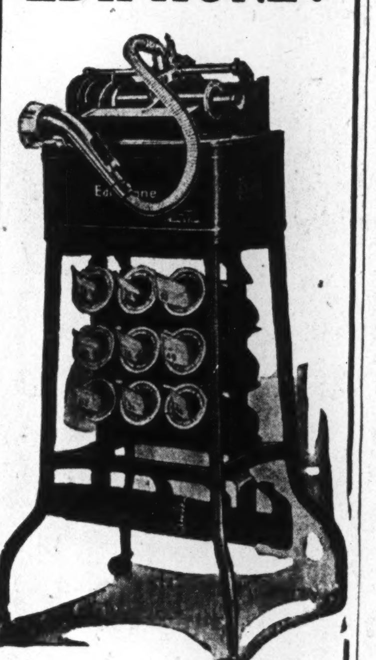
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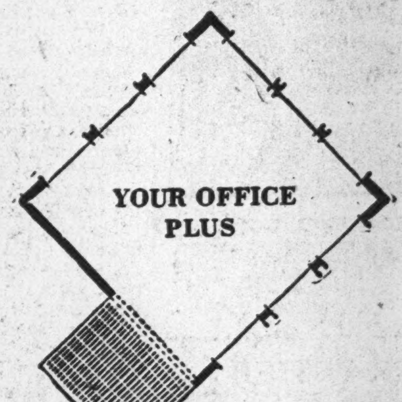

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SECOND SECTION

Featuring Resources of Labrador

THE FINANCIAL POST

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LABRADOR IS A LAND ABOUNDING IN TIMBER, POWER, MINERALS

Government Plans Survey of Wealth of Labrador Area

Policy of Newfoundland in Regard to Development of Area is Now in Process of Formation

SPARSITY OF POPULATION IS DRAW-BACK

Climate is Bracing and Invigorating, and in Summer the Temperature Rises to the 80's — Not All Snow and Ice

The developments of all the industrial resources of Labrador presupposes population, and lack of population is the greatest drawback at the present time. The coast was originally settled by fishermen from the flotillas of cod-seeking craft which resorted there every year from Newfoundland, and by employees of the Hudson's Bay Company. Many of both classes inter-married with Eskimo women and a goodly proportion of the population is of a mixed strain. For practical purposes the whites may be regarded as holding the territory from Hamilton Inlet southward and to number about 3,000, contained in some 112 settlements from Blanc Sablon, the western extremity, east and north of Hamilton Inlet. Farther north the population is almost altogether Eskimo, and has been in the tutelage of Moravian Missionaries for nearly 170 years. These missionaries have some six stations, each with its scores of Eskimo families who trade furs, peltries, fish etc., to the mission for the necessaries of life and who have been gradually educated and civilized by the self-sacrificing men and women who staff the mission stations. Unfortunately during this period, the native population has suffered tremendous losses in number and there are probably not more than 1,000 souls to-day as against twice that number at the beginning of the century. There is almost a certainty of further loss in coming years until the eventual extinction of the native population becomes a fact. Until two years ago, the Moravian Missionaries worked their trade business (which was not done for profit but merely for the benefit of the natives) in conjunction with their religious ministrations. Then they decided to abandon trading entirely and turn over their establishments for this purpose to the Hudson's Bay Company, which has now a monoply of all the activities in this regard in the entire region. An official of the Moravian Mission House in London told the writer at that time they feared the native population did not then exceed 1,000 and that a further serious decline might be expected. Some of the settlements were decimated by the epidemic of Spanish Influenza which swept the world ten years ago, and as a result of this and other diseases of civilization, the outlook for these aboriginies is very gloomy. It is a curious circumstance that in such a region the white population should be increasing, surely if slowly, according to the census figures of the Newfoundland government, and that the native population, which might be expected to flourish in its proper environment, should be as steadily declining, but, of course, this is not a condition peculiar to Labrador, but has been remarked in many parts of the world.

Some Indian Population

Besides these two elements in the population, there is a third whose habitat is the interior rather than the coast to which the Eskimo confine themselves. These are Indians of two tribes—the Montagnais who roam about the southern part of the region, and smaller tribes of Nascopies who are found in the northern part, though occasionally they intermix. They probably do not exceed the Eskimo in their total number and their extinction seems to be equally certain. They can hardly be said to have permanent homes in this region, though many of them are to be found about St. Augustine, Seven Islands and other H. B. Co. posts on the north shore of the Gulf of the St. Lawrence.

They travel about the whole peninsula with their families and belongings, living in skin tents and subsisting mainly on the produce of the chase. They have largely abandoned their native clothing and food and subsist now on the white man's.

The white settler in Labrador, popularly known as the "livyer" (meaning live here), practises hunting and "furring" (trapping) in the winter, for which reason he has to maintain two homes, one on the outer coast for the purposes of fishery and where he stays with his family for the summer; and another in the wooded areas at the edge of the bays in which he passes the winter. One of the reasons for the decline of the native population is the greater energy of the white settler who, in the course of years, has so enlarged the territory over which he hunts and traps that he has the hunting grounds heretofore sacred to the Indians and in many cases actually passed over the height of land into Canadian Labrador in this quest. It has not been uncommon in later years for some of these white trappers to penetrate 400 to 500 miles into the wilderness, and as the Indian's wants were few and as very indifferent hunting could supply them, it is hardly surprising that the Indians came out of the struggle a loser. When occasion required, however, the Labrador "livyer" proved himself a capable miner on the outer coast, and an equally capable lumberman farther inland, because most of the labor employed by the Canadian firm which operated in the Hamilton Valley a generation ago, was that which the region itself afforded.

Bring in Labor

Of course, in the event of large industries being undertaken, labor would have to be brought in; for instance, the Canadians supplemented the available local labor by obtaining workers from Nova Scotia and Newfoundland, and whenever wood cutting operations are resumed a similar policy will have to be pursued. This of course will be a drawback to development, but no more so than in the areas of Canadian Labra-

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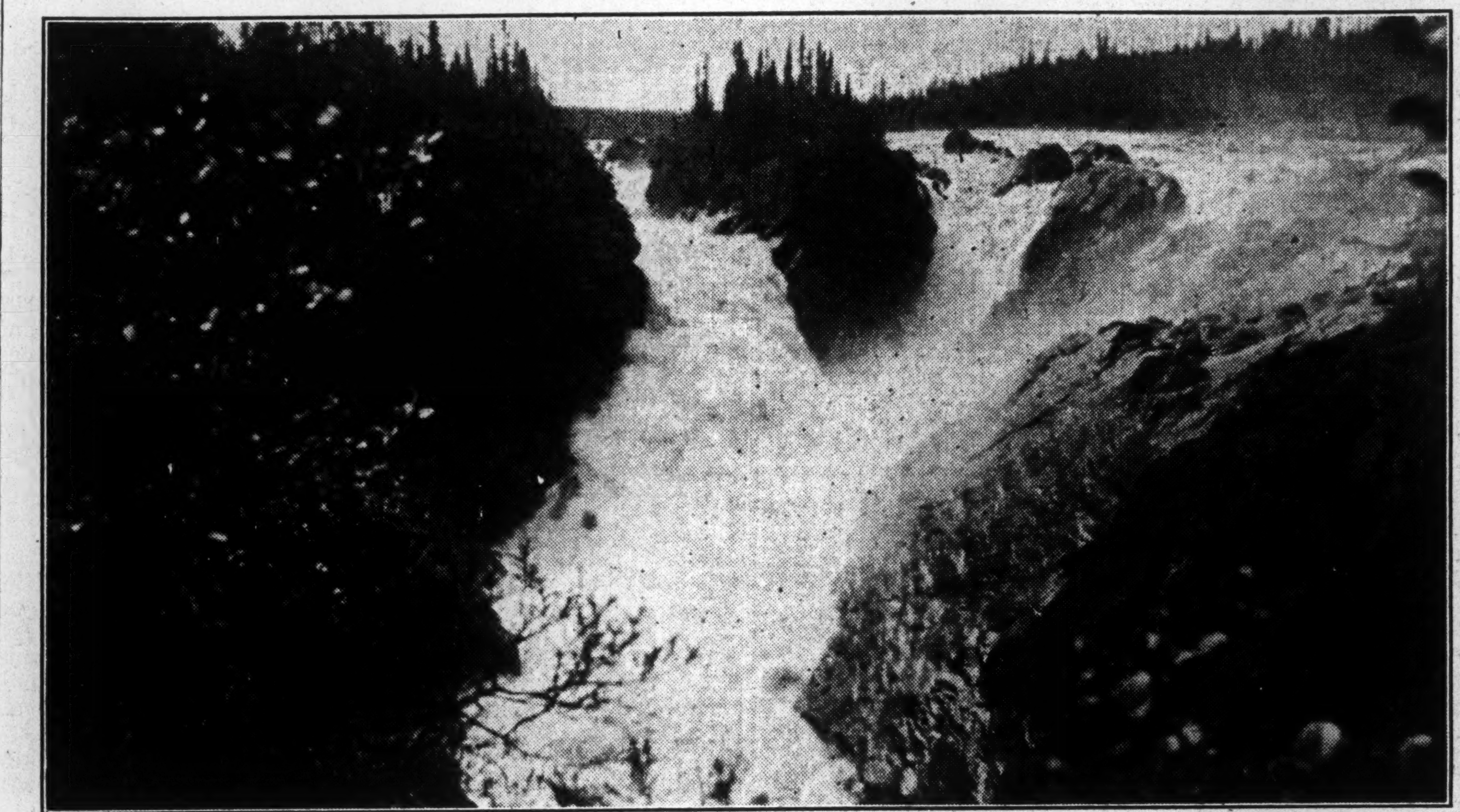
Surveying for First Time Story of Labrador's Riches

The Financial Post presents in this four-page supplement a thoroughly authoritative survey of the resources of Labrador, that land of riches toward which the march of development is moving daily. The Privy Council decision of 1927, awarding to Newfoundland much territory that had formerly been marked upon the map of Canada but which had not been actively administered or developed by Canada, has created a keen demand for information as to development opportunities in this land and it is to meet this demand that The Financial Post publishes this supplement. Emphasis has been laid upon timber, water power, fishery and other commercial possibilities. This is the first time such a comprehensive survey of Labrador's resources has been published.

The material is fully authentic. Practically all of it has been prepared under the direction of Sir Patrick McGrath and he has written the leading articles. Sir Patrick spent several days in the office of The Financial Post in Toronto in connection with this work.

Sir Patrick McGrath knows his subject. For six years he studied Labrador, collecting and preparing material for use in the presentation of Newfoundland's case before the Privy Council in the boundary dispute. Sir Patrick is a distinguished newspaperman, having edited a St. John's paper for many years. He now represents the London Times on the island. He is president of the legislative council, which is the equivalent of the speakership of the Canadian senate.

One of Scores of Virgin Power Sites



Yale Falls on the Grenfell River, a tributary of the Hamilton River in Labrador. This an d the other photographs in this issue were taken by Varick Frizzell, a wealthy young New Yorker, who in 1925, accompanied by a friend, canoed and portaged three hundred miles into the heart of Labrador.

Enormous Reserve of Power is Found in Labrador Rivers

Grand Falls and Hamilton River Could Develop 4,500,000 H.P. or More — And There Are Other Rivers

WILL SOME DAY BRING PAPER MILLS

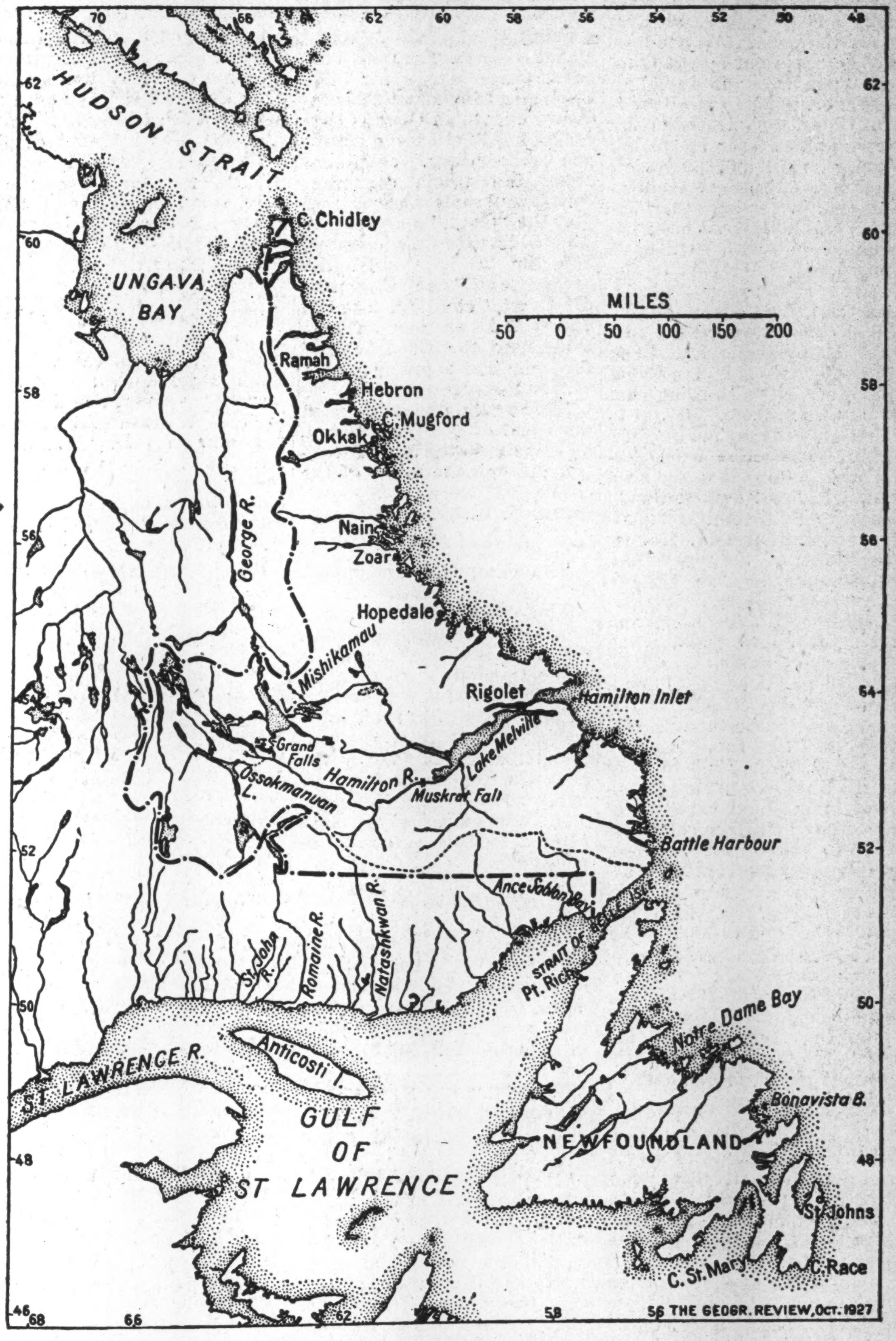
Expected That First Water-Power Development Will Come at Rapids of Muskrat River, with Railway Line Up Stream

The water-powers of Labrador can develop, it is estimated, millions of horsepower for industrial and other purposes. The largest river in the territory and one of the largest in North America, the Hamilton, has a length, according to the Encyclopedia Britannica, of about 300 miles, and the Northwest, which also drains into the same valley, is about half that length. The Kenamou, Kenamish, and others, though smaller, are still endowed with great power possibilities. The Hamilton Valley drains some 70,000 square miles in all, and the Hamilton itself rises from the tide-water at the head of Lake Melville, the inner portion of the fiord, 135 miles from the sea; its source, some 300 miles beyond, being nearly 2,000 feet above sea level.

On this river is the famous Grand Falls of Labrador, one of the world's greatest waterfalls, rising 302 feet, against 165 feet of Niagara. The river above the falls flows downward from a plateau 1,660 feet above the sea. Prof. A. P. Low, the Canadian geologist, who surveyed the region more than 30 years ago, estimated that the fall itself could develop energy equal to 1¾ million horsepower, and that, if the rapids above and below the falls were to be harnessed, about 4½ million horsepower could be developed.

Modern engineers, viewing the river in the light of the developments made within that period, believe these figures can be greatly increased by establishing installations on different points of the river from this outlet to its source. For instance, the Muskrat Falls, some 22 miles inland from tide-water at Goose Bay, can develop ½ million, unregulated as it is at present, and by effective regulation this figure can be doubled. Then at every point along the course of the river, back to the crest of the mountains, where a rise of 100 to 150 feet is reached, other installations can be put in, each of which should be capable of developing another ¼ million horsepower. These figures, it will be observed, apply only to the Hamilton River itself, for the possibilities of the lesser streams have not been scientifically determined at all. There is little doubt, however, that in this valley electric energy to the amount of several million horse-power can, and will, be developed in due course. In Sandwich Bay, farther south, and the second largest inlet in the territory, there are other streams capable of being harnessed, and the same is true of the inlets and rivers along the coast southward toward Belle Isle Strait and which may be counted upon, in due time, to maintain each its own pulp mill or other industrial undertaking, or, alternatively, the power may be developed and exported either to Newfoundland or Canada, or both, because there is little doubt that by the time the world will be calling for this power, transmission methods will be so improved that it could be sent many hundreds of miles by wire, if not, indeed, by wireless. Marconi, when in Newfoundland in 1901, getting his first trans-oceanic signals, had visions of liners being driven across the Atlantic by power transmitted by radio from Niagara and other waterfalls to these liners in mid-ocean. At present, examples of what it is possible to do in the way of developing the water-power of much smaller streams than Hamilton, are afforded by the case of the Saguenay, in Eastern Quebec, where provision is being made for the development of nearly two million horsepower, and of the streams which combine to form the Three Rivers and the town of the same name, midway between Quebec and Montreal, and at points on which no fewer than six large paper-making companies are located. What this will mean to the industry, not alone of this region, but to all of North America, may be realized from the fact that the paper mills of Grand Falls, in Newfoundland, require only 30,000 horsepower to work them, and that the larger mills at Corner Brook call for power in only the same proportion. Hence, with millions of units of electrical energy available, the substantial development of its water-powers seems assured to Labrador in the future. What, in the opinion of engineers, will follow, is that the rapids at the Muskrat Falls will be first developed by themselves through a railroad from tide-water in Hamilton Inlet to that point, and then that gradually the railroad will work its way westward, following the course of the river, power plants being erected at every 100 miles or so until the Falls are reached, and that at some of these points paper mills will be started which will use up the available timber and may prove an inducement to attract still other industrial undertakings to that region.

Labrador, Showing Boundary Award



The southerly portions of Labrador are in the same latitude as Saskatoon, and the famous Grand Falls of the Hamilton River are not as far north as Peace River. The map indicates the comparative sizes of Labrador and Newfoundland, the mainland possession being 110,000 square miles and the island 40,000 square miles.

Estimate Forests Have Timber Worth Over $250,000,000

Newfoundlanders Expect to See Huge Paper Development on Their Own Island Using Labrador Pulpwood

MAY BE MILLS IN LABRADOR IN TIME

Example of Paper Mill at Clarke City, Quebec, Quoted to Show Feasibility of Erecting Newsprint Mills in Labrador Itself

By SIR PATRICK McGRATH

Hamilton Inlet and River, which divides Labrador into two parts about midway up the coast, mark for practical purposes, the northern limit of usable timber. Of the 110,000 square miles of the total area, about 60,000 are wooded and about half of that can, in the opinion of experts, be utilized for commercial purposes, such as providing pulpwood for paper, as much of the wooded growth is of spruce. Within the past generation extensive tracts of this forest growth have been acquired by parties interested in such development. Indeed, it was the granting by Newfoundland to some Canadian lumbermen nearly 30 years ago, of rights to cut timber on the southern bank of the Hamilton River that brought to a head the question whether Newfoundland or Canada really owned this eastern watershed. In 1898 the Ottawa Parliament enacted a law which added a portion of this territory to the Province of Quebec; and when these lumbermen began operating, the Quebec Government sent a ship to the place which seized all the logs that had been cut and began a prosecution of the lumbermen in the Courts of the Province for a violation of this law. Other people also obtained from the Newfoundland Government rights over various areas totalling at times possibly half the usable forests, but through non-payment of fees many of these were subsequently dropped. Several tracts are, however, still retained, and the annual rentals required by the Newfoundland Government are paid, but the other conditions which attach to the holdings, such as the obligation to erect mills and undertake developments, have not been complied with, and after March 1, 1929, probably the whole of the forest region will return to the hands of the Government. The reason for this is that after the Privy Council award was rendered it became possible for Newfoundland to give a good title to every holder of timber license in the Peninsula, and as these had previously pleaded that because of the uncertainty of their titles they could not be expected to undertake the construction of mills with expenditures of large sums, they were allowed two years from the date of the award in which to meet the requirements of the statute, with a warning that if such was not done, their licenses would be cancelled. The idea is to secure, if possible, without doing an injustice to the landholders, the return of the lands to the Colony, so that the whole of these areas may become available for utilization, in the future, either all together or piecemeal.

Worth $250,000,000

What this would mean to Newfoundland, may be illustrated by the fact that one of the lawyers representing Canada before the Privy Council, estimated the value of the forests of Terranovan Labrador, alone, at from $250,000,000 to $300,000,000. Some of the properties have been partly "cruised" or examined by expert lumbermen, and during last winter, the International Paper Company sent two such parties to the region —one to operate in Hamilton Inlet and the other along the southern part of the territory. The detailed results of their work have naturally not been made public, but Dr. H. L. Paddon, of the International Grenfell Association, who is in charge of the Grenfell Hospital in Hamilton Inlet, and was in touch with these men during the period of their stay, wrote in a recent issue of the Grenfell Magazine that the result of their investigation was to satisfy them that the wealth of the region was under-estimated rather than otherwise.

Black Spruce Dominates

According to E. M. Kindle, of the Canadian Geographical Survey, who visited the Hamilton Valley a few years ago, "Black spruce is the predominant tree throughout the Lake Melville district, but white spruce becomes increasingly common as one proceeds westward or inland. The white birch is a very common tree, and in tracts which have been burned over it has taken possession of the ground to the exclusion of all other trees. The largest observed specimens of the birch, however, were found sparsely distributed in forests of black and white spruce." He spoke only of the region in latitude 54 deg., with which he was personally acquainted, but he quoted Mrs. Leonidas Hubbard, who journeyed through

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Took Thirty Years to Reach Decision as to Ownership

Early History of Labrador Shows Some Looseness in Designating Ownership and Control of Territory

BIBLE IS QUOTED IN WINNING CASE

When Privy Council Took Up Labrador Boundary Dispute, Decision Hinged Partly on Meaning of Word "Coast," and Resort Was Had to Bible

The vast Peninsula of Labrador, which east of a line drawn from the bottom of James Bay to the Moisie River, on the Gulf of St. Lawrence has, according to Prof. A. P. Low, at one time head of the Canadian Geological Survey), in his article in the Encyclopedia Britannica, an area of 511,000 sq. miles, naturally divides itself into three terrains or watersheds. The northern, embracing the territory which drains into Hudson Bay and Strait, became the property of the Hudson's Bay Company under its charter of 1670 and much of it now forms part of the region known as Ungava. The southern, draining into the St. Lawrence, was, in the main, made part of the Province of Quebec when that was constituted in 1763, following upon the British conquest of New France, and is commonly known as Canadian Labrador. At the same time that this province was created, a region loosely described as the "Coast" of Labrador, and designated as stretching from the St. John River, which enters the Gulf of St. Lawrence nearly opposite the western end of Anticosti, east and north to Hudson Strait, was attached to the government of Newfoundland. This eastern slope, draining into the Atlantic and Belle Isle Strait, may be identified as Terranovan (or Nfld.) Labrador.

French Extend Control

This "Coast," whose inland boundary was never definitely described, was re-annexed to Quebec in 1774 and remained attached to that province till 1809, though, as a matter of fact, Quebec never attempted to administer it; this duty being performed (in his capacity as Commander of the squadron serving on the Newfoundland station) by the Governor of Newfoundland, who was always in those days a naval officer. Then, because of the obvious impossibility of the authorities of Quebec exercising their proper functions in a region so far away as the Atlantic front of Labrador, the "Coast" was again attached to Newfoundland in 1809, but in 1825, the strip from the St. John River eastward to Anse (now Blanc) Sablon, at the western extremity of Belle Isle Strait, was transferred to Quebec, the remainder being left with Newfoundland, which enjoyed an uninterrupted possession of it thereafter until the status of its inland boundary was challenged by Canada thirty years ago.

The reason for these changes in bygone days was that the French at Quebec gradually extended their control eastward along the north shore of the St. Lawrence to Belle Isle Strait, by the granting of seigniories whereon settlers were established to carry on the seal and other fisheries which could be most effectively conducted by means of sedentary establishments on the shore itself, and for the conduct of the fur trade in the interior by trapping the animals through the agency of the permanent settlers or by trading with the Indians; and if in 1774 a division had been made, somewhat like that of 1825, it would have been a very common-sense one. There is substantial evidence from the debates in Parliament at the time that such was intended; but at the last moment, for reasons which do not appear, this practical solution was abandoned and the entire "Coast" returned to Canadian control, the error not being completely remedied for another fifty years.

French and English explorers in the great days when the western world was being opened up, reached and traced portions of its seaboard, following upon Cabot's probable discovery of the region itself in 1498. Frobisher and Davis visited it and the latter sailed 90 miles up an inlet which he thought was a passage to an unknown western sea, but which is now regarded as almost certainly the Hamilton Inlet of modern times, while Capt. Cook, the great voyager began his career in command of a surveying ship in these waters. In 1752, or seven years before the battle of the Plains of Abraham, merchants of London sought from the British Government of that day, a concession to develop the Atlantic watershed, or "Coast or Country" of Labrador—Much as the Hudson's Bay Company was doing with the vast territories it then held—but because of the hostility of that company the project came to nothing.

Early Court of Justice

After this "Coast" was annexed to Newfoundland in 1763, it began to be the resort of English fishermen, largely through the establishments which these had in Newfoundland, extending their operations to this new seaboard, along which they sought for cod and other finny prey. This was, mainly, a ship fishery, conducted from on board vessels, but in time the seaboard came to be sparsely settled and the laws in effect in the colony were applied to it. Their administration, as might be expected in a purely seafaring people, only extended where salt water ran, but as long ago as 1825 a Colonial Court of Justice dealt with business at the head of Hamilton Inlet, a fiord 150 miles deep, which cuts into the territory midway up the Atlantic seaboard.

As time passed the official activities of the Newfoundland Government, few and infrequent as they may have been, were enlarged as circumstances seemed to warrant; and they were always, to say the least, fully equal to those carried out by the Quebec authorities on Canadian Labrador, while in more modern times the provision by Newfoundland for steamship services, mail and passenger facilities, education, medical aid, etc., in her Labrador territory could fairly challenge comparison with Quebec's provision for her part of the region. In the recent suit before the Privy Council the Tribunal commented on the fact that no evidence had been laid before them by the Canadian authorities showing that at any time, from 1763 up to the trial of the action, had any act of jurisdiction been performed by Canada in the area claimed by Newfoundland; and it would seem to be equally certain that few, if any, assertions of authority had been made by the Quebec Government on the strip between the St. John River and Anticosti up to 1825, when that portion passed finally to Quebec, as already explained. It should be clearly understood that authority was represented on this "Coast," so-called, from 1763 to 1774 by the Governor of Newfoundland in his dual capacity of Governor and Admiral; from 1774 to 1809 in his latter capacity only and acting, not under the orders from Quebec, but from the Admiralty; and from 1809 to 1825 in his dual capacity again, after which date a more permanent form of Civil Government was established in Newfoundland, enlarging from time to time until the autonomy of the present day was reached.

Claimed 30 Years Ago

No claim on behalf of Canada to this "Coast" of Labrador was ever advanced until 1898. Some thirty years ago, the possibilities of spruce forests for the making of paper, and of water powers for the creation of electrical energy, came to be realized, and the impression in Newfoundland is that Quebec's action in setting forth a claim to this "Coast" was due to a desire to secure possession of the forests and rivers thereof. Whether this view is right or not, the fact remains that less than 25 years before, or in 1874, the Canadian Government at Ottawa, in response to an enquiry from the American State Department at Washington, as to what, if any, territory Newfoundland possessed in the Labrador Peninsula, replied that Newfoundland possessed a certain area there, setting out its seaboard limits but explaining that its western boundary was not definitely specified, though it was regarded as extending to the height of land from which the waters drained into the Atlantic, accompanying this dispatch with a map, then in general circulation in Canada, which pictured Newfoundland's territory there substantially as claimed by the colony in the recent lawsuit and substantially as the Privy Council awarded it to her.

Boundary Dispute

The facts respecting this lawsuit may be briefly stated thus: Canada claimed the whole region as being part of the French possessions which passed into British hands after the conquest of Quebec; and met Newfoundland's contention as to the "Coast" having been awarded to her by arguing that this "Coast" meant only a strip of seaboard necessary for her fishermen to conduct their industry on, which Canada suggested need not exceed a strip one mile deep, extending along the whole seaboard. Newfoundland's answer was that the "Coast" given to her was a territory or country, like the "Gold Coast," the "Ivory Coast," the "Coromandel Coast," etc., and that the authorized version of the Bible used the word "coast" for "country" in many places, as, for instance:

"And again, departing from the coast of Tyre and Sidon, he came unto the Sea of Galilee, through the midst of the coasts of Decapolis." — St. Mark, V. II. 31.

Argued 25 Years

The case, which occupied 25 years, and cost probably a million dollars, in its preparation, came for hearing before the Judicial Committee of the Privy Council in London, in October, 1926, and proved to be one of the most protracted ever tried before that tribunal. It occupied four weeks and the documentary evidence submitted in the argument was embodied in eight printed volumes of 3,326 pages and two atlases of over 50 maps each. On March 1, 1927, the tribunal rendered a decision in favor of Newfoundland, which was thus confirmed in the possession of a territory of 110,000 sq. miles, with all the natural resources of sea and land appertaining thereto.

GOVERNMENT PLANS SURVEY OF WEALTH OF LABRADOR AREA

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dor or eastern Quebec, whichever the territory may be called, where the resident population was found to be unequal to the task of supplying the demands for labor which the cutting of pulp wood and the establishing of pulp mills called into existence.

Climate Like Eastern Quebec

The climate in Terranovan Labrador is similar to that of the Canadian section or eastern Quebec. The winter conditions are perhaps less severe than in the latter because the severity of the cold is tempered by the ocean breezes. Experience has shown that it is quite as easy for lumbermen to operate in Hamilton Inlet or along Belle Isle Strait as in any of the sections of Quebec fronting the "North Shore of the Gulf," so that no obstacle in this regard exists to the industrial development of this country. The Labrador current, on its way from the Arctic region to the Grand Banks of Newfoundland, where it strikes the Gulf Stream on its northward course and the commingling of the two causes the almost perpetual mist or fog which enshrouds that region, carries on its face great masses of ice in the form of floes and bergs; even in early summer the coast is sometimes rendered impassable by these ice-masses and all through the year they are to be found in greater or less quantities. In winter the meteorological conditions cause the formation of great quantities of ice in the region itself and during these months the entire coast is blocked with ice and communication with the outside world by water is rendered virtually impossible. The same conditions exist on the Quebec coast, but these have not hindered the establishment of at least one pulp mill—at Seven Islands, nor the cutting of pulp wood on many of the rivers for the use of paper mills operating in Canadian or American territory.

Find Fine Trees

The interior of the whole region, remote from the seaboard, has all the valleys thickly wooded, and trees have been found, according to Sir William McGregor, one time Governor of Newfoundland, who visited the region some 20 years ago, equal to those in far more southern latitudes. W. H. A. Davies, who was with Hudson's Bay Company's factor in Hamilton Inlet some 80 years ago, described the summer conditions in that region in these terms: "The heat, in summer, is often great, though it seldom lasts beyond a single day at a time. I have seen the thermometer as high as 86 degrees, at four o'clock p.m., and once, on the 21st of August, 1840, it rose as high as 94 degrees in the shade." Randle F. Holme, an English traveller, who made his way up the Hamilton River in 1887, says that "a journey of 20 or 30 miles in summer time up the country from the sea is like passing from winter to summer," and Donald A. Smith (afterwards Lord Strathcona) when in charge of the H. B. Co's trading post in Hamilton Inlet cleared an area of land in the vicinity on which he developed quite creditable farming operations, raising vegetables and fruits, and stocking it with some cattle, thus demonstrating the agricultural possibilities of the region.

Light Showers Daily

As to the climate, Professor Low says: "The Peninsula, extending northward through ten degrees of latitude, differs greatly in climate, and passes from cold temperate in its southern parts to sub-Arctic on the shores of Hudson Strait. The climate of the interior is Arctic in Winter, but during the short summer is much warmer than the coast, with hot days, cool nights, and occasional frosts, so that heavy blankets are always comfortable. The annual rainfall is not heavy, and during the summer heavy rains are rare; light showers fall almost daily, but are not very inconvenient to the traveller. The northern limit of trees extends to the southern shores of Ungava Bay. About the upper waters of Hamilton River, the valleys are thickly wooded with small spruce, fir, aspen and poplar, while the hills are partly bare. There is a marked absence of underbrush, the ground being carpeted with white lichens on the higher parts and with mosses in the damp lowlands. Blueberries and other small fruits are abundant in the burnt areas and along the banks of streams."

Bracing in Effect

Dr. Grenfell also says, "the climate of Labrador is not excelled anywhere in the world for its bracing and invigorating effect. Testimony gathered from hundreds of workmen, prospectors, visitors, sailors, fishermen, officials, lumbermen and scientific men have shown that, without exception, their general health has improved, and they have been able to sleep quite a material proportion of the twenty-four hours longer than at their own homes. Of this, in my own experience of seventeen years, I have had remarkable instances.

"There are no accurate statistics to show exactly what the rainfall is, but the experience of visitors is that a whole day's rain is exceptional. A land surveyor who, with a party, spent four months on the Grand River and not far from the very centre of the country, experienced only one-half day during which rain prevented his party from working. On the other hand, the amount of sunshine is well up to the average. One might say that in summer one day in three is altogether sunny; one day in three is partly sunny; and one day in three, dull. As these deductions are not the result of accurate scientific records, I can only offer them as the results of my general notes from year to year. They appear, however, to agree with those of observers who have more accurately chronicled the amount of sunshine during their visits to Labrador.

"This systematic relation of temperatures produces the result that, though on the coast one can grow, as vegetables, only stringy cabbages and leaves of turnips, at the bay heads, carrots, potatoes, cabbages, turnips, currants, raspberries and gooseberries grow with readiness. The average temperature in summer for southern Labrador is about 50 deg. Fahr. On the coast the diurnal range may be from 30 to 80 deg., and in the bays from 45 to 90 deg. Fahr."

Calm After Storm—Below the Grand Falls

—Photo by Varick Frizzell

The Hamilton River of Labrador twenty-five miles below Grand Falls. The photograph gives on idea of the scenery that will some day attract tourists to Newfoundland as the fiords and rivers of Norway now draw them to that country.

Hudson Bay Company Controls Fur Industry

The fur industry in Labrador is carried on in the winter months by those who fish in the summer. This "furring," or trapping, occupies the energies of practically the entire population during the winter, and is conducted in the traditional manner associated with the great northern wilds. The Hudson's Bay Company has various posts in the region and supplies many of the people with the traps and other essentials necessary for this industry. Until recently, too, Revillon Frères, the noted French Fur House operated in the region as well; and so did one or two American concerns in a smaller way, but now all these have sold out to the Hudson's Bay Company, as have the Moravian Missionaries also, and the big corporation so long identified with northern Canada has the whole of this business in its hands except for independent buyers who visit the coast during the summer months from Newfoundland and purchase pelts wherever they can be found. The skins of wild animals of this region possess particularly strong and lasting fur, due to the rigour of the climate and are in great demand by collectors. The silver foxes, now so valuable, are frequently found in Labrador and bring relatively great wealth to the fortunate possessors.

GRENFELL'S WORK OF GREAT VALUE TO LABRADORIANS

Fine Work Also Done on Coast by Moravian Missionaries

The world at large has come to know much of Labrador through the labors and lectures of the famous Dr. Grenfell, (now Sir Wilfred Grenfell, K. C. M. G.). For nearly 40 years he has been devoting his life to the well-being of the permanent residents and visiting fishermen of Terranovan Labrador, and he has two large hospitals established, one at Battle Harbor in Belle Isle Strait and the other at Indian, in Hamilton Inlet, with smaller medical stations at other points. He spends the summer cruising with the fishing fleets, giving unstinted medical services and undertaking religious ministrations as well. Thanks to his self-sacrificing efforts the condition of the "livyers" has greatly improved and some years ago he extended the work of his mission to Canadian Labrador as well. Apart from his activities in the region itself, his lecture tours in England, Canada and the United States, given at least biennially for the past quarter-century, have brought home to the English-speaking world, as perhaps no other agency could do, an idea of the region itself, of its sturdy population and of the need for the philanthropic services that he has been able to create there. Besides hospitals, he has opened schools, orphanages and other similar agencies and in recent years he has been able to raise a fund sufficiently large to provide an endowment whereby this work may be carried on for all time.

Work of Moravians

Labors of a similar character, but extending much farther back in the history of Labrador, have been conducted by the Moravian Brethren, who first visited the coast more than 150 years ago to undertake to Christianize and civilize the Eskimo, being encouraged to these laudable endeavors by Sir Hugh Palliser, one of the early Governors after it was attached in Newfoundland. During the intervening period they have established and maintained at least six mission stations in the region north of Hamilton Inlet, which stations serve both as civilizing agencies and trading posts for the Eskimos of the vicinity, most of whom have been brought to a creditable degree of enlightenment in the meantime, though there are still a few pagan Eskimos in the extreme north near Hudson Strait. The missionaries were granted free importby the Newfoundland government for all their requirements for their work on condition that they relieved all cases of destitution among the Eskimos and therefore, such incidents as starvation, so common elsewhere, rarely occur in that portion of the territory. Recently the Moravians have given up their trading business and transferred it to the Hudson's Bay Company under a similar arrangement. The company, as part of this particular undertaking, has to make an annual visit to each of these stations with one of its ships, as was the practice of the Moravians. This ship brings out from England all the requirements in the way of food, clothing, trade goods, etc., for these stations and takes back the collections of fur, fish, etc., made in return for the goods traded.

FEW GOOD BOOKS ON LABRADOR

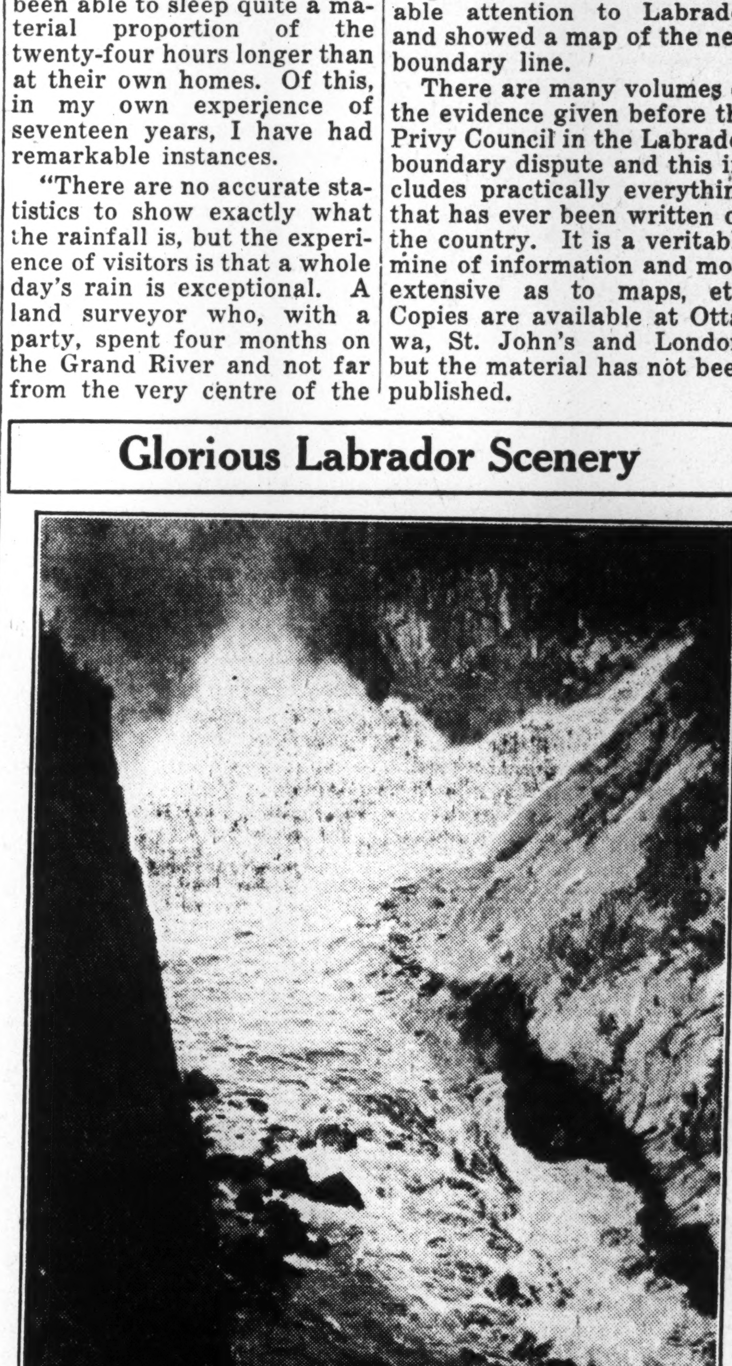
Literature of Mighty New Country is Not Very Extensive

Literature about Labrador is not very extensive. The most widely read book is "Labrador" by Sir Wilfred T. Grenfell and others, but this has not been revised for many years and the last revision was somewhat sketchy.

The Canadian Government, in a recent publication entitled "Canada, North of 56 Degrees," devoted considerable attention to Labrador and showed a map of the new boundary line.

There are many volumes of the evidence given before the Privy Council in the Labrador boundary dispute and this includes practically everything that has ever been written on the country. It is a veritable mine of information and most extensive as to maps, etc. Copies are available at Ottawa, St. John's and London, but the material has not been published.

Glorious Labrador Scenery



—Photo by Varick Frizzell

Bowdoin Canyon receiving the water from Grand Falls.

COD FISHERY IS CHIEF INDUSTRY AT PRESENT TIME

Fifth of Newfoundland's Catch Comes from Coast

WHALING CARRIED ON

But Newfoundland Government is Restricting This Activity to Conserve Future Supplies

The chief industry of Labrador at present is its cod fishery, prosecuted every summer by thousands of people from Newfoundland, who migrate there for this purpose in their fishing schooners from their homes, establish themselves on the rocky shore in rough summer habitations, or else cruise up and down the coast following the shoals of fish, as these appear. The former class are known as "stationers," because they live in their temporary homes in the different harbors and carry out all the processes of cleaning, salting and drying the fish on the coast itself. The latter are termed "floaters," because they live on their vessels and complete the curing processes when they return to their homes in Newfoundland in the autumn.

One-Fifth of Catch

The annual catch of Cod fish on Labrador nowadays is about 300,000 quintals (112 lbs.) or about one-fifth of the total catch of these fish for the whole colony. Herring and Salmon are also taken in Labrador waters, but these do not form anything like a large proportion of the exports of the region.

More than half a century ago, the Hudson's Bay Company began the process of canning salmon on the coast and quite recently the same enterprising organization with the firm of Job Bros. and Company of St. John's(fishery operators established in Newfoundland and Labrador for over a century) undertook to develop the Labrador salmon fishery by means of cold storage with highly promising results assuming that the modern methods of chilling or otherwise preserving fish can be perfected. There is no reason why the fishing industry of Labrador should not expand enormously because the region is only 1,600 miles from the British coast, and is readily accessible, during the summer months; its proximity to Maritime Canada and New England should enable it to compete advantageously with the Pacific fisheries which so largely satisfy the American demand at present.

The catching of salmon as a sport has not been much developed yet because of the remoteness of the territories, but it is certain that it will be a large factor in developing Labrador as an attraction in the near future.

Sealing and Whaling

Other lesser fishery industries are sealing and whaling. The seals are trapped by strong nets in the coastal waters or shot among the ice-floes, and the whales are hunted by small, speedy steamers, each equipped with a mortar-like cannon that discharges a heavy steel harpoon into the huge "fish" from a distance of 100 feet, the head of the harpoon being hollow and filled with an explosive which bursts after entering the whale's body, usually injuring it so that its death soon follows, though sometimes, when the creature is not struck in a vital spot, it drags the ship around for hours, because the tail of the harpoon has attached to it a stout rope, the other end of which is securely fastened to the ship's winches, so that the whale cannot escape. When it is exhausted the ship draws near and a seaman ends the whale's life with a thrust of a long lance through its heart. Five or six such whalers were operating off Labrador last season, but the Newfoundland Government is reducing the number, so as to conserve the whales as far as possible.

The number of such huge creatures in the various oceans is necessarily limited, and over-fishing would speedily ruin the industry.

SCIENTISTS AGREE LABRADOR IS RICH IN MINERALIZATION

Little Serious Prospecting Has Been Done in Area

IRON ORE IS FOUND

Engineers Visualize Smelting Plants Utilizing This and Power from Grand Falls

The mineral wealth of Labrador has not yet been seriously prospected, though mining in a small way has been undertaken at some points near the shore, iron near Ramah in the northern section, gold near Cartwright in Sandwich Bay, mica at some points in Hamilton Inlet, antimony near Eagle River and copper near Cape Mugford. Low's book refers to an immense deposit of iron in the Canadian area west of the boundary and some scientists now suggest that this in time may be developed and the smelting be done by means of the electrical energy developed from Grand Falls, which are comparatively near, the finished product being taken to tide water at Hamilton Inlet by the railway which would have to be built in the meantime to install the dam and machinery necessary to make this electric development possible.

Hints to Prospectors

E. M. Kindle, of the Canadian Geographical Survey, in a recent official publication says: "It is not easy for any geologist, who has for a season felt the spell of this vast and very slightly explored land, to avoid suggestion that there are reasons for believing Labrador will eventually contribute to the world's supply of mineral wealth. Neither the fishermen nor the fur traders have ever sought to develop any other wealth in Labrador beyond that furnished by the cod and the pelts. They have, however, given a few hints to the prospector which have thus far remained unheeded. As early as 1840, a chunk of native copper was found on the shore of Hamilton Inlet. Its source remains unknown . . . ." In the Lake Melville district there are various half-breed trappers (the "livyers") who have specimens of chalcocite and other copper ores which they found near trap lines in the interior. Low found extensive deposits of magnetite and other ores of iron at several points in Labrador, but thus far little if any attempt to ascertain their commercial possibilities has been made. Very extensive beds of banded iron ores also occur on the Nastapoka Islands, which extend along the east side of Hudson Bay for a hundred miles north of Little Whale River. Dr. Bell and Mr. Low record the occurrence of a vein of galena on the west coast of Labrador near Richmond Gulf. On the same coast, Low found pyrrhotite, containing small quantities of nickel.

Eastward and Northward

Professor A. P. Coleman, of Toronto University, who has also done scientific work in Labrador and published some of the results of his work, says: "It may be said that the largest area of relatively unexplored territory in this northern hemisphere is to be found in Northern Quebec; it consists of Pre-Cambrian rocks like those which include the rich mines of gold, silver, iron and copper of Lake Superior and Northern Ontario. The land is almost unoccupied and means of communication are difficult; yet, in the opinion of the writer, the next great development of mining industry is likely to occur in Quebec and spread northward and eastward into Labrador."

Interior Still Undiscovered

Mr. Kindle concludes his observations respecting the region in these terms: "The mining engineer may be reminded that, while the Labrador coast-line was the first part of North America to be seen by Europeans, most of the interior is still practically an undiscovered country. The use of the aeroplane should soon inaugurate a new era in the exploration of the interior.

"The thousands of lakes which are scattered throughout the peninsula furnish peculiarly favorable conditions for the use of the hydroplane in Labrador. It is a region where vast areas of bare rock give the prospector exceptional opportunities. It is a country which can be recommended to whoever has the skill to combine trapping and prospecting. The men who can do this have the certainty of a living from their traps and fair chance of proving that old Jacques Cartier was slandering the country when he called it the 'Land that God gave to Cain.'"

Transportation Meagre Yet

Because of its remoteness, its smaller population and the fact that its fishing industry is conducted by hundreds of sailing craft, the transportation facilities are meagre, though adequate for present requirements and can, of course, be increased as circumstances warrant. During the summer months a fine, modern Clyde-built passenger steamer, the "Kyle," specially designed for this service, runs fortnightly between St. John's and Atlantic Labrador, making stops at all the principal harbors as far north as Hamilton Inlet, and a smaller steamer, traversing the more northern section, connects with her. A subsidiary weekly service, by a second small steamer, is conducted between the Bay of Islands, on the west coast of Newfoundland, and the ports in Belle Isle Strait. These connections are found to meet present requirements. During winter months direct communication is impossible because the region is ice-bound, so that it is only possible to maintain contact by means of a mail route starting at Quebec City, continuing along the north shore of the Gulf to Blanc Sablon at the Newfoundland boundary, and then east and north along the Newfoundland territory. This is carried out by means of dog-teams which traverse the ice-clad regions. Because of the length and difficulties of the route, only two mails are possible during the winter.

Nine Wireless Stations

The complete isolation of former years no longer exists, however, in its entirety, since, during the summer months, the Newfoundland Government maintains a service of nine wireless stations along the Labrador seaboard in connection with the fisheries, and even during the winter the southernmost stations at Battle Harbor (which might be described as the Capital of the territory), and at Forteau, are kept in operation. It was through the latter station last spring that the first news was obtained of the safe arrival at Greenly Island of the German aeroplane "Bremen," which was the first to effect an east-to-west flight across the Atlantic.

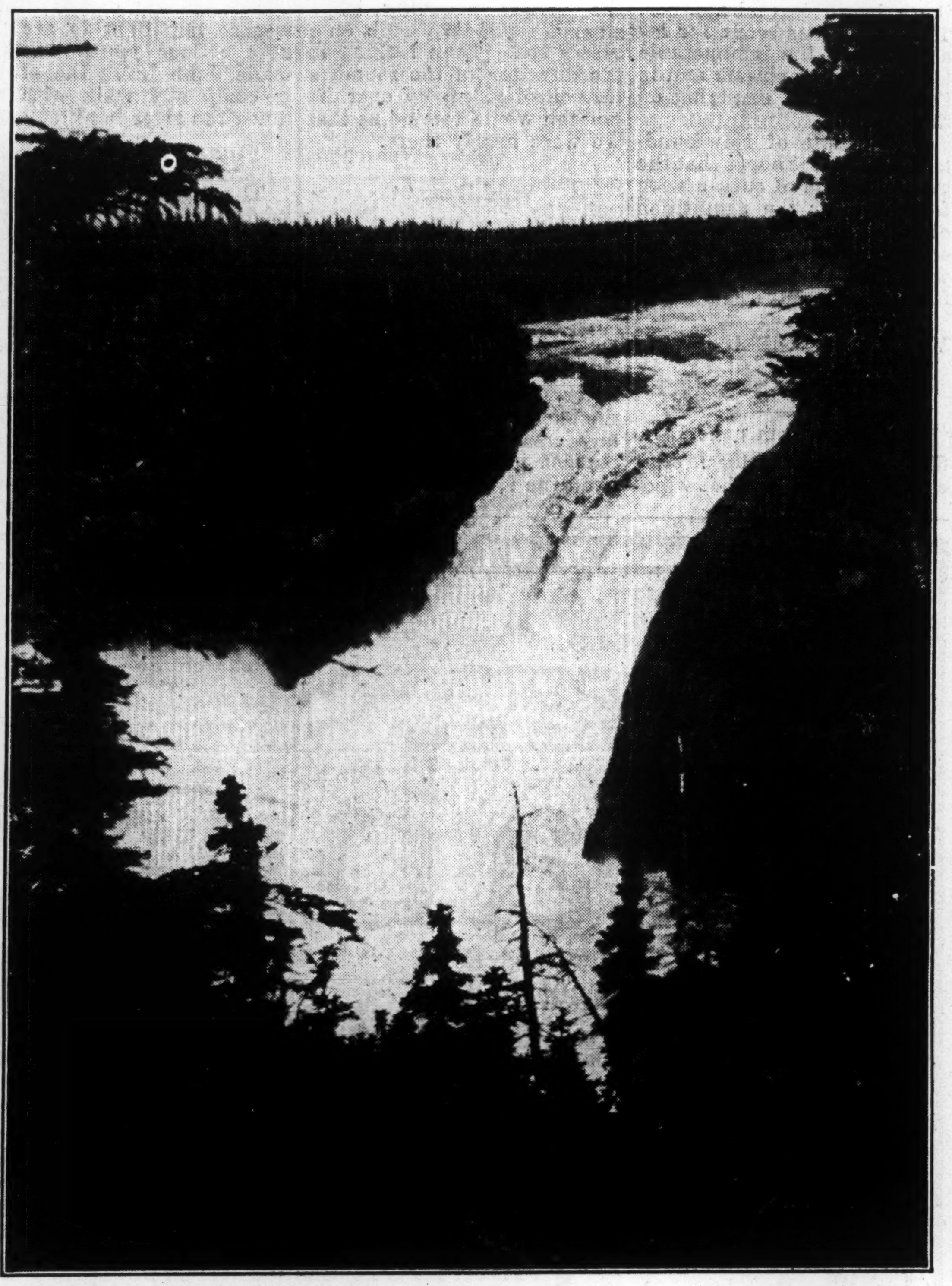
Government Policy

The policy of the Newfoundland Government with regard to the future of this region has not been fully developed as yet. Certain precautionary measures have been taken by enacting a law forbidding the alienation of any lands or water powers in the region without legislative sanction and by requiring all existing holders of timber licenses to build, before March 1, 1929, the mills, which are a condition of the license. Provision was made at the last session of the legislature for a proper survey of the territory to be made which has not yet been undertaken, and a vote of $200,000 was passed for this purpose. It is probable that after the general election which is shortly to be held in Newfoundland has taken place, and a new legislature is elected, with a promise of political stability for the next four years, further measures for making the best, in the country's interest, of this possession may be taken, and it is certain that an endeavor will be made, without delay, to secure a far greater amount of information respecting Labrador than has yet been possible and to put this into such form that it can be utilized intelligently by those interested in developing the latent resources of the region.

About Area of Alaska

The whole Peninsula of Labrador has about the same area as Alaska, and the coastal section of Alaska which has been developed in the past sixty years roughly approximates to the area of Terranovan Labrador. Aided by the immense resources of the United States, vast developments have occurred in Alaska in respect of its mines, forests and fisheries, and it has returned to the United States a thousandfold the money spent on its acquisition. Development at the outset was slow, but since the opening of the present century it has been well marked. Those who have studied the conditions of the two regions see no reason why Terranovan Labrador should not become, in later years, as active a centre of industry as Alaska and yield proportionately as great a return to Newfoundland for her expenditure in regard to it.

One of the World's Mightiest Waterfalls



—Photo by Varick Frizzell

Few times have human eyes gazed upon the famous Grand Falls or McLean Falls of the Hamilton River. With a height of 300 feet, higher than Niagara, these falls are capable of producing, along with other smaller falls on the river, millions of horse power of electrical energy.

Foresee Tourist Travel Becoming Great Flow as Beauties of Land Are Broadcast to Vacationists

For the vacationist, Terranovan Labrador should be a paradise. It has scenery, especially in the north equal to any of the fjords of Norway, though few besides Dr. Grenfell and wealthy Americans, whom he has induced to visit the region in private yachts, have ever seen these wonderful natural formations save through the medium of the lantern slides and vivid descriptions he gives. According to Grenfell, the day is not far distant when large liners filled with passengers will make the trip to Labrador for this purpose as regularly as cruises are now made to Norwegian waters; indeed an attempt was made last year in this direction but failed because of the unfamiliarity of the world with the region itself.

Beauty of Icebergs

An attraction which it possesses over Norway is in the presence of the icebergs which are always to be found near the coast and which often present pictures of marvelous beauty. Yachting or sailing in other crafts is also possible, and even round trips by the mail steamer have many attractions.

Prof. R. A. Daly, of Harvard University, writing of the scenery of the northeast coast says, "Such a wilderness is Labrador, a kind of mental and moral sanitarium. The keen air of its midsummer is no more bracing to the nerves and sinews of the body than its quiet beauty and savage grandeur are stimulating to the powers of thought and appreciation. The beautiful is but the visible splendor of the true. The enjoyment of a visit to the coast may consist not alone in the impressions of the scenery; there may be added the deeper pleasure of reading out the history of the noble landscapes, the sculptured monuments of elemental strife and of revolutions in distant ages."

In New World

For those inclined to explore new territory and to the world's geographical knowledge, Labrador offers an almost unique opportunity. Great tracts of the interior are untravelled and unknown, and many blank spaces on the map could be filled up as a result of such journeys. Equally great are the opportunities afforded to scientists. Several American University Professors have been visiting Labrador at intervals for many years, and admit that they have barely scratched the surface in their respective realms and have no idea of what treasures in various lines of scientific endeavor are concealed below. To the fisherman, the salmon and trout rivers and trout streams should be a delight. Wonderful catches have been made from time to time by visitors with Dr. Grenfell and others, but to the sportsmen in general it is, in very truth, an unknown land. There is good hunting of wild animals and game birds of many varieties and it is safe to say that altogether this territory affords opportunities for travel and sport that few countries in such close proximity of eastern Canada and United States can afford.

Take No Hurried Trip

On the subject of travel and sport in Labrador, Dr. Grenfell has this to say: "But if the visitor really wishes to see Labrador he must be willing to give more time to it than the mere hurried round trip of the mail steamers can afford him. These steamers remain but a very short time at each place, and do not visit the long and almost unknown fiords which constitute one of the chief attractions of the coast. To go where perhaps the foot of man has never trod, to wind in and out at leisure among the countless turns and twists of these inlets, never knowing what one is likely to meet with next, adds a great charm to a holiday and a freshness which long since has been lost by most summer resorts. The wildest, least known, and by far the grandest fiords are all north of Nain; in order to attain a true appreciation of scenic Labrador, one ought to begin where at present the average visitor is obliged to turn back with the mail steamer.

One Must Linger

"Thus to enjoy the best that Labrador has to offer, and to study the remarkable features which among all the coasts near to civilization are peculiar to 'the Labrador,' one must be able to linger at will in the long fiords, push up these still unnamed and almost unknown arms of the sea, and discover for oneself new coves and inlets as he coasts along them. In a few, but only a very few, of the northern bays and fiords one may occasionally find a solitary salmon fisherman. Generally the visitor may enjoy with Robinson Crusoe the joy of being monarch of all he surveys. Not a policeman, nor a warning 'not to trespass' will be encountered. No advertising fiend has yet succeeded in defacing these refreshing wilds.

No Hotels to Stop at

"In Labrador there are no hotels in the ordinary meaning of the word. Yet there is not a single place touched by the mail steamer where the visitor will not find a shelter of some sort. The ways of the country are those of the wilds, and every house is glad to offer what accommodation it can to those who come along. The Moravian Brethren, the hospitals of the Royal National Mission to deep-sea fishermen, the larger planters, as well as the settlers, are always glad to help a visitor. Naturally, however, if one wishes to go exploring, hunting, fishing, or doing any kind of work which involves going far from the mail steamers, it is best to be independent, and to be so one should carry a tent and light camper's outfit.

Color is Everywhere

"But the universal attraction of the coast—the ever-changing glory of the atmosphere—cannot be localized or described. Color is everywhere, with a gamut that few parts of the world can equal. From the hilltops, the land is a giant opal, changing, in a million moods, from the tenderest gray or blue, through vivid emerald or most royal purples, to the unsurpassed gold and reds of the long twilights and dawns. In the summer season north of Hamilton Inlet, the sky is seldom clouded over completely, and seldom dulls the inimitable play of nature's coloring. Thunderstorms are very rare; when one of these storms, coming from the west, does pass out to sea, it may be an event in one's life. I shall never forget one dark night when the huge cliffs of Mugford Tickle, through which we steamed, and a group of great icebergs at their feet, leapt out of the blackness as stroke after stroke of lightning blazed from the clouds. It seemed that one could scarcely imagine a sight more thoroughly awe-inspiring. Even the short nights of the summer and early autumn are blest with light and exquisite color for the auroral displays are, on this coast, among the most frequent and extensive of all those recorded throughout the world. Very often beneath this strange sky, the sea is intensely phosphorescent; the traveler by night may find endless entertainment, watching from the bow of his moving vessel the weird lights set flashing by schools of frightened fish."

ESTIMATES FORESTS HAVE TIMBER WORTH OVER $250,000,000

(Continued from page 13)

Lake Melville and north to Ungava Bay and who says that along the valleys there the forests continue to show fair-sized trees up to latitude 58 deg., and even beyond. She reported that she had seen one tree with a circumference of nine feet, and states that "the valley is mostly well wooded with spruce and balsam as far as Mabelle Island, and here the spruce reaches splendid size." Similarly, L. M. Turner, who wintered at Fort Chimo, in Ungava Bay more than 30 years ago, making ethnological studies for the Smithsonian Institution, states that the walls of the buildings (about latitude 58° 30′) are constructed of the larger logs from the local forests, where the trees seldom exceed ten inches in diameter while on the Whale River, within two miles of Ungava Bay, the trees attain a height of 30 to 50 feet.

No Doubt of Wealth

Of course some of the regions so described by these writers are not in Terranovan Labrador, but represent areas well to the north of the section of Newfoundland territory where lumbering operations are intended to be carried out, and these extracts will show that there is consequently no question as to the wealth of the natural resources of the region in this respect. The mere fact that Canadian lumbermen operated for some years in the valley of the Hamilton until stopped by the action of the Quebec Government, establishes beyond question the practicability of this.

The forest growth of Terranovan Labrador is of practically the same density as that of the eastern portion of Quebec, where the estimate of Canadian experts is that an acre of land will produce about four cords of pulpwood. They predicted that within the next twenty years the spruce forests of Quebec will have been destroyed and pulp wood will have to be sought elsewhere. These circumstances will greatly assist in increasing the value of this Labrador territory which is only separated from eastern Quebec by the imaginary line which forms the boundary. Therefore, Newfoundland looks to the prospect of great development in her Labrador territory within that period. It may not be that paper will actually be made there; what is much more likely is that the wood may be cut and taken away to be manufactured or possibly it may be converted into pulp in Labrador and the additional work of conversion into paper be done elsewhere. Profiting by the example of her neighbors like Quebec and Ontario, Newfoundland laws forbid the export of unmanufactured pulp wood with the idea of securing all the work of manufacturing within her own borders. As a further precaution against the alienation of any portion of this territory, the Newfoundland Legislature, at its last session, enacted a law providing that no transactions in the forest or water power resources of Labrador should be valid without an act of the Legislature itself, thus putting it out of the power of even the Cabinet of the day to dispose of any of this territory without the fullest publicity and discussion which the Legislature process would ensure.

Mills for Newfoundland

The real hope of Newfoundland is that the possession of these various areas in Labrador may result in the building of mills in Newfoundland itself for the manufacture of the pulp wood. At present there are paper mills at Grand Falls, near the eastern cots of Durisland with a production of nearly 300 tons daily and at Cornerbrook, on the western coast, of nearly 450 tons daily, while plans are in process of completion of a third at Gander Valley, also on the east coast, to produce another 400 tons daily. All these have adequate forest areas attached to them to meet all their requirements, though if they should be enlarged they might require other areas to draw upon. On the southern coast there are water powers available to ensure the manufacture of possibly another 1,000 tons daily, but without an immediate forest reserve sufficient to supply the needed raw material. This might be obtained from Labrador, brought to the southern coast by water, and then converted into the manufactured product with the advantage that the southern coast is ice-free all the year round, which is not the case with the other mills, or with many in Canada.

Only 200 Miles Away

There are no practical obstacles even at the present time to these developments. Cornerbrook, for instance, is only about 200 miles by water from the southern sections of Labrador and to-day pulp wood is being carried two or three times that distance by water from areas on the north shore of the St. Lawrence near Anticosti Island, to be manufactured in Canadian and American mills. In the remote future pulp mills may be established on some of the smaller rivers in southern Labrador, as they are at present in Norway and Sweden, and the pulp brought to larger centres of population in Newfoundland to be made into paper. There are many rivers suitable for this purpose, and by the time that the demand for this step becomes apparent, the processes of making pulp will no doubt be greatly cheapened and improved. Still later there may be paper mills established on the coast itself, but practical people are not looking that far ahead yet.

To-day at Clarke City, near Seven Islands, on the north shore of the St. Lawrence, or Canadian Labrador, as Newfoundland terms it, a large pulp mill is in active operation. Among the capitalists largely interested therein, being the Rothermere group, who own the paper mills at Grand Falls, in Newfoundland. This pulp mill is in a region almost identical in every particular with eastern Labrador, remote from large centres, ice-bound for some months each year, and suffering from the drawbacks which might be supposed to count against our territory, but these hard-headed business men saw no serious difficulty in their undertaking this enterprise.

VARICK FRIZZELL TELLS OF BEAUTY OF GIANT RIVER

New Yorker Who Portaged to Grand Falls Writes Story

FREE AND MIGHTY

Visualizes Day When Machinery Will Have Harnessed Tumbling Waters of Interior

Few white men have seen the heart of Labrador. One of these is Varick Frizzell, a young New Yorker who, in the summer of 1925, accompanied by a friend, made a canoe trip down the Hamilton River to the Grand Falls. He described his experiences and what he saw in a subsequent issue of the Canadian Magazine and his article gives an excellent picture of what Labrador has to offer to the sportsman and tourist, particularly what Labrador will have to offer when better transportation facilities exist. He said: "I could write of a Labrador yielding enormous quantities of steel and electricity; of a Labrador owning the nearest American port on the Atlantic to England, a port on Hamilton Inlet bound to Quebec City by a transpeninsular railway via McLean Falls. In short, I could write of a country transformed as Canada herself has been transformed in the last hundred years from a profitless wilderness to a land yielding wheat, gold, copper, iron, and timber. But to me Labrador is still the wilderness of romance where the Indian reigns supreme.

Waiting to Go

Tracing the story of his summer's adventure, Mr. Frizzell says:

"In the spring of 1925, Jim Hellier and I found ourselves at Northwest River Post where the Hudson's Bay Company and Revillon Frères compete for Indian fur. The settlement is in a strategic position for it is the last outpost of civilization and Labrador's greatest watergate to the Interior. Here the turbulent Nascaupee meets the greater and more treacherous Hamilton to join forces in the long lake which empties into the sea at Hamilton Inlet. I think Jim and I both shared the same feeling one evening as we looked across the vast undulating wilderness.

"Something lost behind the ranges, lost and—

"Waiting for you—go!"

"It was an appeal to our youth and strength to overcome the dangers of the Hamilton and find the mighty cataract discovered by McLean.

Two Canoes

From Quebec they had brought two Bastien canoes made to carry heavy freight. There were two balloon silk tents, arms, a gill-net, 350 lbs. of flour, 100 lbs. of bacon, and a score of other provisions that would keep them alive from thirty to seventy days.

The journey was not an easy one. "Day after day, the Hamilton, now pent up between mountains a thousand feet high, tumbled down on us more and more angrily. It seemed determined to prevent our advance. But as we humiliated one rapid after another our confidence grew and we revelled in our superiority.

Seventeen Days to Falls

"Seventeen days from Northwest River brought us to the beginning of the portage around McLean Falls and Bowdoin Canyon. This trail first blazed by the Indians who have always feared the evil Manitou of the falls, makes a necessarily wide detour leading twenty-five miles across twelve lakes and as many carries to the upper waters of the Hamilton. There were three high spots to my impression of the next five days. Firstly, an initial ascent from the river valley of seven hundred feet in a quarter mile. The work of carrying two canoes and every pound of luggage up this first trail put us in such good shape that we often found ourselves running across subsequent portages. Secondly, fish of such monstrous size as to often threaten by their commotion a safe passage over the lakes. Thirdly, a perpetual fog which upon close examination resolved into a cloud of black

(Continued on page 16)

Tells Times Readers of Labrador's Wealth

In Article for London Journal, High Commissioner for Newfoundland Describes What Labrador Has to Offer

By HON. VICTOR GORDON,
High Commissioner for Newfoundland, in the London Times

"God made the world in five days, Labrador on the sixth, and spent the seventh throwing stones at it," was the dictum of an 18th-century sailor, but Alaska was long known to the American people as "Seward's Folly," after the statesmen who purchased it from Russia in 1867 for $7,200,000. To-day Alaska has long ago proved itself an exceedingly profitable investment for the United States, and now evidence is accumulating that Labrador is a land of potentialities which only await intelligent and economic development to become a great Imperial asset.

Grenfell's Work

Practically all the early settlers migrated from Newfoundland, and consequently Devonian and Cornish blood predominates, many of the names having undergone curious metamorphoses in the course of the generations. In the last hundred years there has been very little change in the life of the people of Labrador; they are a hardy, seafaring folk who, year in and year out, wrest a precarious living from the ocean and have learnt to face it in the fiercest moods and to accept with stoical fortitude its deadly devastations. The story of the Spartan lives of the people who dwell on the Labrador coast has been finely depicted by the self-sacrificing doctor, Sir Wilfrid Grenfell, who has devoted himself for many years to the amelioration of their lot, and the fortune which found them such a sympathetic chronicler has given them a publicity which they might have waited generations to secure. But what Labrador needs to-day is not publicity but schemes of development which will raise the standard of living for its inhabitants and attract fresh population. A year ago a decision of the Judicial Committee of the Privy Council terminated in favor of Newfoundland an ancient controversy about the ownership of Labrador, and as a result the island colony is now the possessor of some 120,000 square miles of the main land of North America. The acquisition of this prize caused great rejoicing in Newfoundland, but there are sober observers who realize that it may well prove a "white elephant" unless its vast and varied resources can be profitably developed.

Another Niagara

Since this century began there has been no more outstanding economic development on the North American continent than the rapid increase of the utilization of water power for the generation of hydro-electric energy. Canada to-day can boast the second largest installation of hydro-electric power in the world, but it is an authentic fact that Labrador possesses a single great series of power resources which, if harnessed, could produce almost as much electricity as all the existing plants in the Dominion. Through the centre of the peninsula of Labrador flows a mighty stream, the Hamilton River, and at one point in the course of five miles it drops 200 ft. in tremendous rapids, and then, with a roar audible 20 miles away, it makes a final plunge into a circular basin 315 ft. below. Here is a cataract as large as Niagara, and experts have calculated that more than 4,300,000 horsepower could be obtained from it. Yet hydro-electric energy is useless unless it can be applied to some task, and happily there is no dearth of natural materials which only await the application of electrical energy for their transformation into marketable commodities. Within a radius of 75 miles in a northward direction from Grand Falls the Canadian geologist, A. P. Low, in 1893 discovered in Cambrian formations immense ore bodies of hematite, magnetite, and siderite, rich in manganese, and their yield of metallic iron was estimated as varying between 40 and 55 per cent. Recent investigations, conducted by geological experts dispatched by the Quebec Government, have confirmed the accuracy of Mr. Low's report, and there is no reason why the success which has attended the manufacture of electrolytic steel on the Italian side of the Alps should not be reproduced in Labrador. Only systematic prospecting will reveal what other mineral resources exist in the country; traces of gold and silver have been found, but a gold rush, stimulated by unscrupulous speculators in the years 1923-25, which brought hundreds of prospectors and adventurers to Labrador, has left unhappy memories.

Timber Tracts

Yet the most reliable source of wealth awaiting exploitation probably consists of vast tracts of spruce, birch, fir, poplar, and other trees, which are to be found in the basin of the Hamilton River and other parts of Labrador; and in them exists the basis for an extensive pulp and paper industry. There is considerable divergence of view about the seriousness of the depletion of Canada's forest resources, but clearly they are not inexhaustible, and the time is coming when other sources must be tapped to fill the seemingly insatiable maw of the printing presses of the United States. Various interests have undertaken surveys of the pulpwood resources of Labrador, and this winter the International Paper Company, the great American corporation which has already acquired a veritable empire in Canada and Newfoundland, is maintaining in the country a well-equipped party of timber cruisers and other experts who are making an exhaustive report upon the local forests and power sites.

Fisheries of Coast

The fisheries of the Labrador coast, however, are still the main economic buttress of the community, and in the summer months the little settlements, which have been so faithfully described by Sir Wilfrid Grenfell in his books, are busy hives of industry. Since the War the fishing industry has been hard hit by the low prices for dried fish; one adverse factor has been the exchange situation in Mediterranean countries which used to take large quantities of fish before the War, and another has been the keen competition of Scandinavian exporters. But the past season has seen some improvement in prices, and if some scientific organization were applied to the industry and better transportation secured, the undoubted richness of the Labrador fisheries could enable them to hold their own against any rivals. In this sphere the Hudson's Bay Company is now giving a useful lead. Having bought out the interests of its great rival, the Revillon Frères, in 1925, and acquired control of all the stores and factories of the Moravian Missions in the following year, it now enjoys a virtual trading monopoly in Labrador and an energetic policy of development has been embarked upon. The fiords and rivers of Labrador teem with salmon of the finest quality, and the Hudson's Bay Company is now landing them fresh in the London market. The sealing industry, which yields oil and skins, is also receiving attention, and in the factories taken over from the Moravians new methods of refining seal oil have been introduced. There is also afoot a project for the importation of reindeer, which in Alaska have yielded a very profitable return for their venison and hides, and the abundance of caribou moss justifies the assumption that the experiment would be successful and solve one of the local problems of food supply. Labrador will never be an agricultural country in the normal sense, but it can produce a wide variety of foodstuffs; vegetables of all kinds show an amazing growth in the long summer days — and Professor John Macnaughton, in his recent life of Lord Strathcona, records the enormous size of the pumpkins and cauliflowers which his hero, then a young fur trader, was able to raise 70 years ago in his Labrador garden.

Needs Transportation

But undoubtedly Labrador, like other untapped regions of this earth, cannot hope for much economic progress without better transportation. At present her inhabitants are dependent for communication with the outer world upon a spasmodic steamer service with St. John's, Newfoundland, and the waterways and rough forest trails afford the only access to the interior. The resources of the Grand Falls area cannot possibly be developed without a railway to tidewater at Hamilton Inlet, but there are no serious engineering difficulties and a charter already exists for a line which would connect these two points and be extended through the hinterland to Quebec City. There are enthusiasts who demonstrate that a railway through the Labrador peninsula would enormously shorten the sea voyage to Britain because Hamilton Inlet is 750 miles nearer Liverpool than New York and 450 miles nearer than Montreal, but the Canadian co-operation which would be essential for such an enterprise can at present be dismissed as unattainable.

There is a lure in Labrador, as there is in most of the wild lands to the north, but this country is not a place for weaklings. One great Empire-builder, Donald A. Smith, afterwards Lord Strathcona and Mount Royal, spent many of his early years there as agent for the famous pioneers, the "Governor and Company of Adventurers Trading into Hudson's Bay." The efforts of that Company have long been maintained and are to-day being extended in fur-trading and in developing the fisheries that exist on the coast.

Hunters and sportsmen, too, made of the stern stuff of Britain, have visited and frequently returned to Labrador, and their records tell of the presence of barren ground caribou, showing fine antlers, to be seen, according to one writer, "in hundreds of thousands" on their trek from north to south. When winter takes away from these animals all hopes of food supply in the north, they resort to territory nearer the coast and seek out wooded lands and feed precariously upon any foliage accessible in the snow. In Northern Labrador polar bears are found, and black bears are quite common in the south. Lynx and wolves have been seen, but these are not supposed to be plentiful. For the shotgun there are willow grouse, ptarmigan, geese, and black duck in goodly quantity. "Salmon innumerable were leaping in the air, and a great concourse of white bears were diving after them." This was said in 1775, and to-day the salmon are there in no less abundance. The angler has scope for his activities in the innumerable lakes on the peninsula and in the many rivers emptying on the coast.

The people of Newfoundland have great hopes that the grant to them of such a wide territory, for the acquisition of which they have expended so much effort and expense, will return to them a hundredfold all they have sacrificed.

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VARICK FRIZZELL TELLS OF BEAUTY OF GIANT RIVER

(Continued from page 15)

flies and mosquitoes. But enough of this. On hot windless days, discomforts gave way to anticipation when the distant but steady boom of McLean Falls came to us like the steady pounding of a steamer's paddle wheels on a glassy sea. Then looking in the direction of the sound, a lazy cloud of 'smoke' over the horizon would remind us that we were nearly there.

Wild Descent

The last lake of the portage route empties into the lake-expansion of the Upper Hamilton. One afternoon a current seemed to double our speed, and Bob announced that we were again on the River. Shooting downstream the shores of the lake gradually came together and the current increased until at a bend the river dropped off to the southward in a furious rapid. Here at the beginning of one of the wildest descents in North America we set up our permanent camp. But I was so impatient to see the goal of our journey that I made John leave the others in camp and walk with me down the river bank at once.

Free and Mighty

The distance is five or six miles during which the Hamilton drops 440 feet in preparation for its final leap. Though willows often covered the banks, forcing us back through the underbrush of the woods, it was the shortest six miles I ever walked for I was revelling in the beauty of that wild, abandoned stream. The roar of it drowned out the thunder of the Falls so we had no idea how far we had to go until upon passing a bend, a high column of 'smoke' suddenly appeared directly in front. At our feet waves ten feet high rushed heedlessly to the brink. A gull rode out into the furious torrent and I remember wondering how it could enjoy such reckless sport. I shouted to John but he didn't hear. Back into the woods, and now the deep boom of the Falls dominated all other sounds, quickly guiding us to the spot where John McLean stood eighty-eight years before. Within a yard of the 'take-off,' I watched the struggle of this mad river with mingling emotions of fear, wonder, and above all happiness, for in this moment I had realized one of my greatest youthful ambitions."

The two men and their guides also searched for and found the "Unknown River" of Indian legend after which they floated down the Hamilton to the coast.

"And so to-day," continued Frizzell, "when I think of McLean Falls, the free and mighty, made a slave to turn the machinery of mankind; when I think that something so material as a locomotive whistle may soon disturb the peace of the 'Unknown River,' I remember with a feeling of regret that no frontier is safe from the invasions of mankind. It has been decreed that the silence of the forests, the sovereignty of the Indian must go, for they yield nothing more tangible than romance, and wildernesses must be productive. And so Labrador must go the way of all wildernesses."

Labrador

The Land of the Future

LABRADOR exists at present as a virtually untouched land of tremendous possibilities. With the exception of her fisheries that have been known and developed for years, so that they now represent a considerable part of the production of the Dominion of Newfoundland, its assets are undeveloped and only partially known.

It is known that there are tremendous stands of pulpwood timber, perhaps the largest virtually untouched supply remaining in the world.

It is known that there are enormous hydro-electric power resources whose development will ultimately make possible the development of this great land.

It is known that there are extensive deposits of haematite ore and formations favorable to the existence of most precious and base minerals, and there are other resources of lesser moment. These together will ultimately make this a land of vast resources.

The people and government of Newfoundland are anxious that there should be no unwise exploitation of these great assets, yet they are prepared to co-operate in their development with any persons who are sincerely interested in the development of the country.

Any persons who are interested in this territory can secure all available information as to its resources and the laws and restrictions governing the country on application to the government.

Government Offices
St. John's, Newfoundland

Newfoundland and Labrador

OGILVIE FLOUR REPORT HIGHER NET EARNINGS

Profits Equal to $24 a Share for Past Year — Up Nearly $7

From Our Own Correspondent

MONTREAL.—Operating results of Ogilvie Flour Mills Company for the year ended August 31, 1928, reveal net profits for the year, after deducting depreciation and bond interest, of $1,941,515, as compared with $1,455,332 in the preceding year.

On a per share basis, earnings of last year were equal to $24.02 a share on the common stock of the company, as against $17.55 a share in the preceding year.

This favorable showing did not result from any betterment in the conditions of the export flour business, but rather to the other industrial activities of the company which have been successful; and to returns on investments owned by the company.

Dividends on the common and preferred stock during the year amounted to $1,640,000, leaving a surplus of $301,550 from earnings, while the previous balance brought forward at $2,476,421 left a profit and loss balance in the current report of $2,777,971. This compares with $2,476,421 in the preceding year.

Working Capital Higher

There is a further improvement in the already strong net working capital of the company. As at August 31, this item amounted to $10,698,310 as against $10,098,602 in the preceding report. A number of interesting changes are noted in the balance sheet for 1928. Cash on hand shows an increase from $287,098 to $1,586,796. Accounts receivable are up from $1,940,283 to $2,161,075. Investments are about $250,000 lower, now standing at $9,220,075. There has been a further write-off of plant, etc., account from $4,227,818 to $3,929,660. Goodwill is still carried on the books at $1.

There is no change on account of capital among the liabilities. Accounts payable show an increase from $1,833,268 to $2,077,248. Accrued charges are up from $914,000 to $1,289,000. The rest account remains at $5,000,000.

Expanding Facilities

In his remarks to the shareholders, the president pointed out that the company is erecting a large addition to its terminal elevator at Fort William, which will bring the capacity of that elevator up to slightly in excess of 3,000,000 bushers. A number of grievances in regard to the export flour market situation were remarked on by the president, such as the "milling in bond" in the United States; the higher duty imposed by foreign countries on Canadian flour and wheat; high freight rates; and lack of any assistance from the government or other agencies in developing an export market.

The profit and loss figures of the past three years compare as follows:

	1928	1927	1926
xNet profits	$1,941,550	$1,455,332	$1,000,873
Dividends ..	1,640,000	1,265,000	890,000
Surplus	$ 301,550	$ 190,332	$ 110,873
Prev. bal. ..	2,476,421	2,286,089	2,175,216
P. & L. bal.	$2,777,971	$2,476,421	$2,286,089
Er. on com.	$24.02	$17.53	$11.47

xAfter deducting depreciation and bond interest.

EASTERN DAIRIES OPEN NEW PLANT

Elmhurst Dairy Has Modern Features in Dairy Equipment

From Our Own Correspondent

MONTREAL.—The formal opening of the new plant of the Elmhurst Dairy this week marks another important step in the progress which Eastern Dairies has made since its inception two years ago.

The new unit is reputed to be the most modern and hygienic milk plant in operation in Canada. The modern sterilizing equipment is a feature of the plant.

Two bottle filling machines are capable of turning out 7,200 bottles between them each hour, and their work includes the capping of the bottles in addition to the filling. The building, situated in attractive rural surroundings, presents an attractive appearance, conforming generally to a Spanish design.

Organized in 1926

Eastern Dairies was organized in 1926 to acquire and operate Elmhurst Dairy and the Standard Creamery of Montreal and the Producers Dairy of Ottawa. These companies had been in the dairy business for some years, and had built up a substantial business in the districts in which they operated. Three months later the company acquired the Acme Dairy of Toronto, and in July, 1927, spread its operations to Western Canada through the acquisition of the common stock of Crescent Creamery Company of Winnipeg. In 1928 Eastern Dairies has been further enlarged through the acquisition of McEwen Milk Company, Hull Dairy Limited, and the Shawville Creamery, by two of the company's subsidiaries. In addition, a butter manufacturing plant was constructed in Almonte.

The ice cream field was invaded in Toronto last summer with considerable success by the Acme Dairy, and the milk sales of that company are understood to have shown a large increase.

Eastern Dairies is not an active stock on the market. Recent quotations have been around 44 on the Montreal Curb. The outlook for the company is good and the diversification of its scenes of operations is a factor which should tend to strengthen the company's position in periods of local depression at any one spot.

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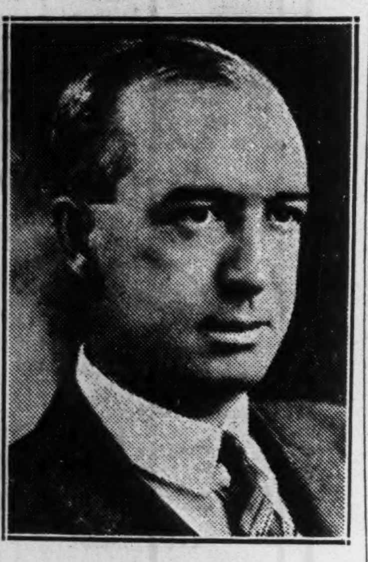

BARRY GERMAN, who has just been admitted to partnership in the investment banking firm of Greenshields & Company. In 1919 he joined the staff of Greenshields & Company, and in 1920 became manager of the firm's branch office in Ottawa. Mr. German will continue to direct the Ottawa office as resident partner.

RELIANCE GRAIN MAKE GOOD GAIN FOR FIRST YEAR

Earnings Compare Favorably to Those Before Financing

From Our Own Correspondent

MONTREAL. — Reliance Grain Company and constituent companies for the year ended July 31, 1928, earned $888,936, according to the annual report which is being mailed to shareholders.

This is the first year of operations of the new company, which was formed last year for the purpose of taking over the Reliance Terminal Elevator Company, Smith Murphy Company, and the Province Elevator Company.

After the deduction of seven months bond interest, putting aside $155,224 for depreciation, and allowing for income tax organization expenses and writing off $30,000 for bond discount, and paying two dividends on the preferred, Reliance Grain showed a net profit of $518,599, or $5.19 a share on the 100,000 shares of no par common stock outstanding.

This showing compares with $681,223 in 1927 and an average for the last three preceding years of $576,256. In this period, however, bond discount, organization expenses, and preferred dividends were not taken into consideration.

Working Capital High

The consolidated balance sheet shows current assets of $4,481,251 and current liabilities of $3,432,976, leaving a working capital of $1,048,275. Memberships and shares in the Grain Exchange and other trade associations are carried on the books at $108,869, while 2,499 shares of Smith-Murphy Company, Inc., are carried at cost, namely $249,900. Fixed assets, represented by terminal site, buildings and machinery, line elevators, etc., less depreciation, are valued at $3,432,526, whilst deferred charges aggregate $92,070.

Aside from current liabilities, the company has outstanding $2,000,000 of first mortgage bonds and $2,000,000 of preferred stock. The common stock is valued at $931,640, made up of $413,040 representing the balance carried forward and a surplus from 1928 operations of $518,600. Contingent liabilities on grain documents, etc., with banks for collection, amount to $542,554.

Income Statement

The income account for the past year follows:

Gross profits		$88,936
Bond interest..	$ 69,534	
Depreciation	155,224	
Tax reserve	49,410	
Organ. expense	10,428	
Bond discount	30,000	
		$314,597
Balance		$574,339
Pfd. dividends		55,740
Surplus		$518,599

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CONNORS BROS. INVOKE TARIFF AID FOR TRADE

Will Build Plant to Can Herring if Given Assistance

From Our Own Correspondent

MONTREAL.—An application is being made before the Tariff Commission at the November sitting by Connors Bros. Limited that Item 120 of the Tariff be applied to all fish of the sardine class, entering the country, and that there be no exceptions. Furthermore, the company asks that the duty be increased two-thirds on Schedules A, B, C, and D of this particular tariff item.

This follows up the suggestion made by the Royal Fisheries Commission that the Tariff Board investigate the increasing of the duty on canned sardines, herrings, sprats, bristlings and other fish, which are coming into this country in competition with the fish along the shores of the Maritime provinces.

Connors Bros point out in their application, that it would like to develop its business of canned large, as well as small, herring. Large quantities of these herring are now going to waste, or being shipped to the United States, where they are either being canned or manufactured into preserved fish foods of different kinds.

Will Build Plant

In the event of the tariff being revised as suggested by Connors Bros., the company is willing to put up a bond guaranteeing that no advantage whatever will be taken of the tariff to enhance prices in the home market.

With the proposed extra protection, Connors Bros. believe that a business of some volume can be built up in Canada. The company is willing to invest the capital, which will be required for additional modern equipment, also to cover a certain amount of advertising and educational work, which will greatly increase the consumer demand. Protection is asked for a period of at least five years, over which time the applicants believe that the industry can be put on an established basis.

Attend Investment Bankers' Meeting at Atlantic City

The following delegates and alternates from Toronto attended the seventeenth annual convention of the Investment Bankers Association of America, Atlantic City, N. J., October 14 to 19, inclusive: C. E. Abbs, A. E. Ames & Co.; A. W. McLennan, R. A. Daly & Co.; J. A. Fraser, Dominion Securities Corporation; G. P. Rutherford; C. R. Wisner; E. Douglas Huycke, Matthews & Company, Ltd.; and Paul Matthews.

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Canada Cement Co. Change Fiscal Year

From Our Own Correspondent

MONTREAL.—Canada Cement Company has changed over from the calendar year to a fiscal year ended November 30. Chief reasons for the change are the facts that the new concern came into being on December 1, 1927, and November 30, 1928, will see the completion of the first twelve months and that inventories at the end of November are the lowest of any one month in the year. By that time practically all the selling, in any large volume, is over, and the storing up of stocks for the peak season does not begin until December. Thus, the statement will not be complicated to any degree by having a large inventory figuring in the liquid assets.

ST. LAWRENCE FLOUR IMPROVE FISCAL POSITION

Earnings Over $109,000 Compared with $90,126 in 1927

From Our Own Correspondent

MONTREAL.—Profits of the St. Lawrence Flour Mills Company for the fiscal year ended August 31, 1928, amounted to $109,017, as compared with $90,126 in the preceding year and $54,554 in the year ended August 31, 1926.

The experience of the St. Lawrence Flour Mills is similar to that reported by Ogilvie and Western Canada Flour in that while there was no marked improvement in the export market, conditions in the domestic trade were more satisfactory, which permitted of a better operating report.

After deducting the bond interest, amounting to $5,040 preferred dividend of $40,250; taxes of $5,448 and depreciation of $13,000, there was left a balance of $45,279. The previous balance was brought forward at $187,281 making a profit and loss balance in the current report of $232,560.

Working Capital Higher

Net working capital in the statement for 1928 was shown at $304,154, as compared with $246,414 in the preceding report. There are no changes of any importance in the balance sheet.

The income account for the past three years compares as follows:

	1928	1927	1926
Profits	$109,017	$ 90,126	$ 54,554
Bond interest ...	5,040	5,397	5,476
Net income	$103,977	$ 84,729	$ 49,078
Pfd. dividends ..	40,250	40,250	40,250
Balance	$ 63,727	$ 44,479	$ 8,828
Taxes	5,448	3,022	....
Balance	$ 58,279	$ 41,457	$ 8,828
Depreciation	13,000	13,000	13,500
Balance	$ 45,279	$ 28,457	x$ 4,672
Prev. balance ...	187,281	158,824	163,497
P. & L. balance .	$232,560	$187,281	$158,825

xDebit.

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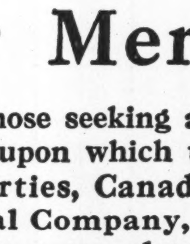

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MONTREAL TORONTO WINNIPEG

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NATIONAL STEEL OUTLOOK BETTER ON NEW BUSINESS

Street Car Contract First of Expected Stock Orders

From Our Own Correspondent

MONTREAL. — An order for twelve new street cars, costing $250,000, has been received from the Hamilton Steet Railways Company by the National Street Car Company. These cars will be of metal and the same type as the latest models now in use. It is expected that delivery will be made about May next year.

This is part of the new business which National Steel Car has been expecting for some time. It is further anticipated that within the next few weeks the Canadian National and Canadian Pacific Railways will announce their plans for the purchase of additional rolling stock. Tenders have already been asked for by the Canadian National Railway and some statement in regard to the placement of these orders will be made very shortly. It is to be expected that Canadian National will not place the full order with any one company, but will distribute the business among the larger railway steel equipment companies.

For the year to date National Steel Car has been making satisfactory progress. While the lack of railway orders has restrained whole plant operations the company has been able to make a very good showing due to the number of orders received from other sources. If it is successful in securing its portion of the railway orders about to be released the company will have on its books sufficient business to keep the plant operating for some months to come.

There has been a fair amount of interest in the market action of the stock of National Steel Car during the past two or three weeks. This is in common with renewed activity in the stock of all the rolling stock equipment companies, especially Canadian Car. A considerable following has developed and values show an appreciable increase over those prevailing a month or two ago.

F. M. Badgley Makes Change

MONTREAL.—F. Murray Badgley is now associated with Watson & Chambers, members of the Montreal Stock Exchange and the Montreal Curb Market.

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THE CUMULATIVE CONVERTIBLE PREFERENCE STOCK IS TO BE FULLY PAID AND NON-ASSESSABLE; PREFERRED AS TO DIVIDENDS AND ASSETS; ENTITLED TO CUMULATIVE PREFERENTIAL CASH DIVIDENDS AT THE RATE OF 6% PER ANNUM, PAYABLE QUARTERLY (1ST FEBRUARY, MAY, AUGUST AND NOVEMBER), BY CHEQUE AT PAR AT ANY BRANCH IN CANADA (YUKON TERRITORY EXCEPTED) OF THE COMPANY'S BANKERS; CALLABLE IN WHOLE OR IN PART AT $105 AND ACCRUED DIVIDENDS PER SHARE, ON SIXTY DAYS' PRIOR NOTICE, AT THE OPTION OF THE COMPANY; CONVERTIBLE AT THE OPTION OF THE HOLDER INTO CLASS "A" STOCK ON THE BASIS OF TWO SHARES OF CLASS "A" STOCK FOR ONE SHARE OF PREFERENCE STOCK, UNLESS CALLED FOR REDEMPTION, AND SUCH CALLING SHALL NOT EXTINGUISH THE RIGHT OF CONVERSION UNTIL THE EXPIRATION OF THE SIXTY-DAY REDEMPTION NOTICE.

TRANSFER AGENT AND REGISTRAR: UNION TRUST COMPANY, LIMITED, TORONTO.

BUSINESS—The business was organized in 1922 with factory and head office at Toronto, under the name of Clear Vision Pump Company, Limited, primarily to manufacture gasoline pumps. It has since acquired the whole of the capital stock of Service Station Equipment Company, of Delaware, and, through its affiliation with this subsidiary, extended its operations to the manufacture of Eco Automatic Air Stations for the filling and registering of pressure in automobile tires, air compressors, car washers, and other equipment for service stations and oil company trade. In 1927, the company also purchased the entire capital stock of the Canadian John Woods Manufacturing Company, Limited, which manufactures hot water range boilers, pneumatic storage tanks and tanks for the oil trade, and is now acquiring the common stock (the acquisition of eighty per cent. of which is assured) of the Bennett Pumps Corporation, Muskegon, Mich., manufacturers of oil and grease equipment and small gasoline and kerosene pumps. Through these acquisitions the company is now one of the outstanding manufacturers of service station equipment on the American Continent. As the company's former name was not sufficiently inclusive, it was changed in 1927 to Service Station Equipment Company, Limited.

The purchase price for the capital stock of the subsidiary companies referred to above was based, in addition to the acquisition of substantial tangible assets and efficient manufacturing organizations, on the present and prospective earning power.

It is the intention of the company to add to the operations of Bennett Pumps Corporation the manufacture of the larger sized gasoline pumps in the United States, and in view of the parent company's successful experience in this line in Canada, it is anticipated that the efficient manufacturing ability and experienced widespread selling organization of this subsidiary will open further profitable fields for the distribution of the company's products in the United States.

ASSETS—According to the balance sheet, as certified by Messrs. Clarkson, Gordon, Dilworth, Guilfoyle & Nash, the company will have, upon completion of the proposed purchase and present financing, and after depreciation:

Fixed Assets	$ 87,189.12
Investments in the following wholly-owned Subsidiary Companies	3,267,900.00
Service Station Equipment Company, of Delaware	
Canadian John Woods Manufacturing Company, Limited	
Bennett Pumps Corporation	
Net Current Assets, after providing for all liabilities........	852,347.76
Patents	52,875.00
Advances to a Subsidiary Company, etc.	117,799.45
Total Net Assets	$4,378,111.33

EARNINGS—As certified by Messrs. Clarkson, Gordon, Dilworth, Guilfoyle & Nash, the consolidated net earnings of Service Station Equipment Company, Limited, and its subsidiaries, after making adequate provision for depreciation and all Canadian and United States taxes, were as follows:

For the year ended 31st December, 1925........	$102,257.91
For the year ended 31st December, 1926........	221,459.59
For the year ended 31st December, 1927........	346,820.39
For six months ended 30th June, 1928........	353,242.17
Yearly average for three and a half years........ which is at the rate of $19.50 per share per annum on the preference stock.	$292,508.58
For the six months ended 30th June, 1928, the net earnings were .... which is at the rate of $47.09 per share per annum on the preference stock.	$353,242.17

The President of the Company estimates that the net earnings for the year ending December 31st, 1928, on the same basis as above, will exceed $800,000,

which would be at the rate of $53.33 per share per annum on the preference stock, and after provision for dividends on the preference stock for a full year, would be at the rate of $4.79 per share, on the Class "A" and Class "B" stock outstanding and to be presently issued.

CONVERSION—Holders of the 6% Cumulative Convertible Preference Stock have the right to convert each share of their preference stock into two shares of no-par value Class "A" stock of the Company, and the calling of such preference stock for redemption shall not extinguish their right of conversion until the expiration of the sixty-day redemption notice.

The Class "A" shares are entitled to non-cumulative dividends of $1.60 per share per annum, payable before any dividend on Class "B" shares, and after each share of Class "B" receives a like amount in any year, each share of Class "A" and Class "B" stock is to receive an equal amount of dividends in each year.

MANAGEMENT—The management which has been responsible for the growth of the company and its subsidiaries will continue.

We offer the shares if, as and when issued, and accepted by us, subject to the approval of all legal details by Messrs. Osler, Hoskin & Harcourt, Toronto.

PRICE: $100 PER SHARE, YIELDING 6%

Preference stock dividends will accrue from 1st November, 1928, and interim certificates are expected to be ready for delivery on or about that date.

The right is reserved to reject any or all applications, and also in any case to award a smaller amount than is applied for.

It is the intention of the company to make application, at an early date, to list the preference shares on the Toronto Stock Exchange, or the Toronto Stock Exchange Curb.

THE INFORMATION CONTAINED HEREIN IS SUMMARIZED FROM A LETTER OF MR. A. L. ELLSWORTH, PRESIDENT OF SERVICE STATION EQUIPMENT COMPANY, LIMITED.

A. E. AMES & CO. LIMITED

Business Established 1889

53 KING STREET WEST - - - TORONTO 2
360 ST. JAMES ST. WEST - - - MONTREAL
BELMONT HOUSE - - - - VICTORIA, B.C.
LONDON BLDG. - - - VANCOUVER, B.C.
11 WALL ST. - - - - - NEW YORK
GRESHAM HOUSE, OLD BROAD ST., LONDON, E.C. 2

Investment Securities

THE STATEMENTS CONTAINED HEREIN ARE BASED UPON INFORMATION WHICH WE BELIEVE TO BE RELIABLE, ALTHOUGH WE DO NOT GUARANTEE THEIR ACCURACY.

Insurance for Buyer and Seller

New Rate Schedule Will Probably Rule for Aviation Risks

Canadian Life Men Give Much Thought to Flying — Lack of Statistics — Companies Hampered in Rendering Service by Changing Conditions

A greatly improved service from life insurance companies may be expected in the near future in the matter of aviation risks. At present many of the Canadian companies take the attitude of "thumbs down" and are proceeding very cautiously. Other companies are accepting risks under certain limitations, but the absence of any reliable statistics upon which to base rates is proving a distinct handicap.

However, the Canadian life companies are studying the question carefully, and as a result the uncertainty that now exists as to rates and conditions should shortly be removed. The Financial Post has kept closely in touch with the situation and the following outline gives some idea of the way in which it is being tackled. There is no definite assurance that the conditions and rates outlined below will become generally accepted, but for the time being, they serve as a valuable indication of the way the wind is blowing.

Companies Play Game

Some criticism has been heard to the effect that the companies are grouping themselves together against the best interests of aviation and aviators. As a matter of fact, if the majority of companies had their way, they would probably not write any aviation business at the present time, due to the lack of accurate and up-to-date data upon which to base rates. The business is considered very hazardous for the time being, but it has to be written so the companies are doing their best to gather information so as to write it as intelligently as they can. The meeting this week of the American Actuaries in Philadelphia is expected to throw valuable light on the discussion, as some important questions are up for discussion on this point. It will be attended by a great many of the Canadian life insurance actuaries.

The problem is one that has many sides. In the first place it is necessary to classify the various types of aviation risks. The natural division is between passengers and pilots. The latter in turn may be divided into two classes (1) civil and (2) military and naval.

The rate to be paid by the licensed pilot who operates a licensed plane vary with the type of work in which he will be engaged. The pilot is questioned closely. If he is flying between well-equipped airports only, he will receive the best rate.

The general rate for commercial flyers is about $25 extra per $1,000, although each case must, to a certain extent, be judged on its merits. In many cases, a higher rating is demanded.

Permit Few Flights

At the present time, there are several regular passenger routes in Canada. There are, in addition, a number of taxi flights made from one point to another and jitney pilots are usually able to do a thriving business at landing fields on the outskirts of the larger cities. The companies are disregarding short pleasure rides of the latter type. As regards travelling as a passenger on regularly established lines of the best type, most companies permit a few flights of this kind per year without extra premium, but few companies are yet prepared to permit an unlimited number of flights without payment of an extra premium for the extra hazard.

It should be pointed out that, up to the present time, most Canadian companies have issued policies free from any restriction as regards aviation. The result is that insurance already in force is unrestricted, even although the policyholder may take up flying. If applying for additional insurance, however, he would probably be required to pay an extra premium. A few companies have had for some years an aviation clause in their policies, so that a policyholder in such a company who intends to take up flying would do well to refer to the conditions of his policy. Practically all companies exclude the aviation hazard from their double indemnity and total disability benefits.

Risks that will not be accepted include exhibition, stunt, long distance, endurance, racing, testing, advertising flying, etc. Another type not accepted as a rule, is the private owner pilot. In this case the risk of suicide is too great. Unlicensed pilots or pilots flying unlicensed planes will not be accepted it is understood.

What About Policy

Another important question that is before the companies is whether an aviation clause should be inserted in all policies issued. If an applicant states at the time he takes out the policy that he is flying, or intends to fly, the company can set a rate that will cover the case. If, however, the applicant is not flying and is not contemplating it, the standard rate applies. Shortly after taking out the policy he may take up flying and if no aviation clause is in the policy the company must accept the additional risk without any change in rates.

Two-Year Clause

Some Canadian companies have already adopted a two-year clause by which no flying is permitted within two years of taking out the policy. If any is done the rate may be raised. Just what the action of the companies as a whole will be on this point is still undecided. With regard to double indemnity and disability the opinion is fairly general that these benefits should not be included in any cases requiring extra premium.

One thing that is important is that the companies are apparently doing all they can to merit the confidence of the flying public, which is important if drastic changes are to be made in the rates for policies of this character.

Will Call for Tenders Prescott Terminal Scheme

From Our Own Correspondent

MONTREAL.—Tenders for the first part of the public undertakings designed to make Prescott the transfer terminal for lake traffic, will shortly be called for by the Department of Public Works. The ultimate outlay at Prescott is estimated at approximately $5,000,000, covering rail facilities, docks and elevators. It is understood that plans are now being prepared for the railway layout and consultations will be had with the engineering departments of the Canadian National and Canadian Pacific Railways.

The Mutual Life Assurance Co. of Canada

Do you want to retire with an assured income at 60 or 65? Then, consult a Mutual Life Agent.

HUME CRONYN, *President* — W. H. SOMERVILLE, *General Manager*

Confederation

The Association has a specially trained staff of agents throughout Canada equipped with every approved means of serving the public's insurance needs.

For every $100 received in premiums the Association has paid or holds for the benefit of policyholders $104.98.

Profits earned for participating policyholders amount to 16.54% upon all premiums received from them since organization.

"Over fifty-six years' service to policy holders"

Life ASSOCIATION

HEAD OFFICE TORONTO

Insurance Inklings

J. T. Robertson has been appointed manager for the Montreal Life Insurance Co., with headquarters in Winnipeg.

Stanley Cottle, manager of the Winnipeg agency of the Northern Life Assurance Co., has earned the honor of being the leading personal producer of the company. Mr. Cottle has produced from January 1 to August 31, $402,700 of personal paid-up business.

J. H. Lagasse is the new representative of the Excelsior Life at Gravelbourg, Sask.

Charles C. Hershon has been appointed unit manager at Montreal for the Canada Life Assurance Co.

J. A. Thompson, of Edmonton, has been appointed group supervisor for the London Life Insurance Co.

F. C. Holmes, C.L.U., formerly a superintendent at Hamilton for the London Life Insurance Co., has been appointed city manager of the St. Lawrence Boulevard office of the London Life at Montreal.

H. W. Bernard, formerly of the Ottawa staff of the London Life, has been placed in charge of the Montreal Amherst office of the company.

An address on "The Advancement of Life Insurance," was given by Eric V. Chown, of Toronto, general secretary of the Life Underwriters' Association of Canada, at the Sudbury underwriters' banquet held in the Nickel Range Hotel on Monday evening. Some 16 members were present, including K. C. Fraser, of North Bay, and L. Monk, of Toronto. Following Mr. Chown's address, Mr. Fraser, of North Bay, gave a short talk on "The Self Analysing of the Insurance Man."

John Crothers has been promoted to the position of supervisor, ordinary branch, for the London Life Insurance Co. at St. Catharines. His supervisorship includes all of Lincoln county. Mr. Crothers has been connected with the London Life since 1925, and is a graduate of Belfast, Ireland, Technical College. Previous to his entering insurance work, was chemist in the department of railways and canals.

Russel J. Rogers has been appointed district manager of the London Life Insurance Co. for the counties of York, Peel, Simcoe and Dufferin. Mr. Rogers has been agricultural representative for the county of York for the past six years with headquarters at Newmarket.

J. P. Dougherty, superintendent of insurance for the province of British Columbia, was the speaker at a recent meeting of the Rotary Club of Prince Rupert, B.C. Mr. Dougherty stressed the fact that no policyholders have lost a cent in Canada due to failure of insurance companies. While in Prince Rupert Mr. Dougherty had a meeting with insurance men of the city. Among those present were: S. D. Johnston, E. C. Gibbons, E. H. Mortimer, D. McD. Hunter, J. C. McLennan and M. M. Stephens.

The leader of the Canada Life Assurance Co.'s honor roll for the month of September, was J. O. Tillotson of Minneapolis, Minn., a member of the 1928 Century Club.

Paul Rainville has been appointed manager of the Canada Life Assurance Co. in Quebec. For three years he acted as agent of his company in Montreal and was for fifteen years attached to the Fidelity & Casualty of New York.

Born in Arthabaska on September 15, 1887, Mr. Rainville is no stranger in Quebec. He is the son of Louis Rainville, former prothonotary of Arthabaska, a brother of the late Judge Bourbeau Rainville and a brother-in-law of the provincial secretary, Hon. Athanase David.

The Canadian head office of the Metropolitan Life announces the following changes in the field: P. A. Guay, assistant manager at Jonquiere, Quebec, district; is transferred to the St. Denis, Montreal, district; J. E. Lachance, agent at Chicoutimi, Quebec, is appointed assistant manager at Jonquiere, Quebec, district; B. L. Pearce, agent at Vancouver South, district, is promoted to assistant manager in same district; Harry Rubin, agent at the Riverdale, Toronto, district, is appointed assistant manager in same district; H. F. Gruggen, formerly assistant manager at the Winnipeg district, is re-appointed assistant at the Winnipeg district; A. L. Crowell, agent at the Yarmouth, N.S., district, is appointed general assistant manager Canadian territory; C. R. Harris, assistant manager at the Brodhurst, N.Y., district, is appointed general assistant manager Canadian territory; A. C. Marc Aurele, agent at the Trois Rivières district, is appointed assistant manager in the same district; M. L. Lazard, manager at the Joliette, Quebec, district, is transferred to the St. Denis, Montreal district; Jean Valenti, manager at the St. Denis, Montreal district, is transferred to the Joliette, Quebec district; E. Sarrazin, agent at the St. Lambert, Quebec, district, is appointed assistant manager at the St. Lambert district; P. Winterborne, manager at the Vancouver, B.C. district, is appointed manager at the Mount Royal, Montreal, district; A. O. Harwood, manager at the Mount Royal district, is appointed manager at the Vancouver, B.C., district.

Sun Life Opens Offices Next to Canada Building

The new London, England, offices of the Sun Life Assurance Co. were formally opened October 15 by the Rt. Hon. L. S. Amery, M.P., secretary of state for Dominion affairs. The new building adjoins Canada House in Trafalgar Square.

Mr. Amery was welcomed to the building by the Hon. P. C. Larkin, high commissioner for Canada, and President T. B. Macaulay, and presented with a golden key.

A number of officials of the company from Canada were also present at the opening, including Vice-president A. B. Wood, H. Warren K. Hale, secretary, and E. E. Duckworth, assistant secretary.

The building, though simple in design, and conforming to the architecture of the headquarters of the Canadian government, is probably the most modern edifice erected in London for a great many years. It is built of Portland stone, a material that has been used for centuries on most of the important buildings in London, including St. Paul's, the National Gallery, etc. It occupies a commanding position and has changed the sky-line of Trafalgar Square on the north side.

There are ten stories, three below and seven above the ground.

Pilot Insurance Company Exceeds Business Objective

The increased volume of business of the Pilot Automobile and Accident Insurance Co., has necessitated the removal of the Toronto branch office to more spacious quarters in the Excelsior Life Bldg. At a recent directors' meeting, D. McIntosh, managing director, reported that the objective for the full year of 1928 of $100,000 had been passed at the end of August, the amount of income at that date being $138,000. He also advised the meeting that the number of agents reporting business to the company had been increased from 97 at the end of last year, to over 200.

SHARE EXCHANGE EFFECTS MERGER INSURANCE FIRMS

Business on Books of Acquired Company About $60,000

The directors of the Toronto Casualty, Fire and Marine Insurance Company have entered into an agreement whereby the company will acquire the business and assets of the Atlantic Insurance Company.

The Toronto Casualty Company reinsures all the policies of the Atlantic Company, takes over all business and assets of the Atlantic Company, and assumes all its liabilities, the agreement, when approved by the shareholders of both companies, takink effect as of October 1, 1928. The basis of the amalgamation is an exchange of shares, the rate being $40 of paid capital in the Atlantic Company for $30 of paid capital in the Toronto Casualty.

The merger is considered to be of advantage to the Atlantic shareholders and from the policyholders point of view to be the means of providing added security. It is pointed out that while the Atlantic Insurance Company had a number of influential and wealthy directors, they were not insurance men, and the company was suffering from the almost inevitable ills of management by general agency. Underwriting judgment and a commission interest in business production are alien qualities and should not be invited, insurance men state.

Two plans were open to the directors it is said—new management and a long pull to achieve success, or amalgamation. They chose the latter end. R. Leighton Foster, Ontario superintendent of insurance, conducted the negotiations with the executive of the Toronto Casualty Insurance Company.

The Atlantic Company, of which T. H. Hancock, of Toronto, is president, was organized earlier in the year, confining its fire and casualty insurance operations to the Province of Ontario. The company has a surplus of assets over liabilities to policyholders of approximately $50,000 and has a small net admitted surplus over all liabilities, including capital, of about $12,000. The business on the books amounts to some $50,000 to $60,000. Authorized capital is $1,000,000 of which $286,000 has been subscribed and $28,680 paid in.

The Toronto Casualty, Fire and Marine Insurance Company has been operating for seven years, and has built up a large insurance business throughout Canada, with an annual income of over a million and a half dollars. G. Larratt Smith, of Toronto, is president, and A. E. Dawson, general manager. The authorized capital of the company is $2,000,000 of which $1,193,000 has been subscribed and $306,000 paid up.

The merger marks a further step in the development of the Toronto Casualty Group, which includes, as well, the Canadian General Insurance Company, of which W. W. Evans, is president, and the Merchants & Employers Guarantee & Accident Company, of Montreal, of which J. C. H. Dussault, K.C., is president.

Montreal Institute Plans Program of Lectures

From Our Own Correspondent

The Insurance Institute of Montreal, which is embarking on its second year of operations with a membership which, it is estimated, will reach the 600 mark shortly, has an interesting programme planned for the next six months. Weekly lectures on all phases of fire and casualty insurance have been arranged, and it is intended that examinations will be held at the end of the series.

The fire insurance section will be opened by R. W. Plimsoll, who will lecture on the fire insurance contract, "The Policy." Other lectures will be given by Halbert J. Kerr, who will speak on "The History and Principles of Fire Insurance"; James R. Wright, who will deal with "Building Construction," and "Rating," and other subjects; and by Allan F. Glover, whose subject will be "The Wood Working Industries."

The casualty insurance section will provide lectures on accident and sickness insurance, workmen's compensation, public liability, automobile, fidelity guarantee and surety, and casualty claims. In this section lectures will be given by R. J. McCormack on the "Classification of Risks," "Plate Glass" and other subjects. T. B. Thomson, F.C.I.I., will talk on "How to Read the Standard Policy," "Personal Accident and Sickness Claims," "The Evolution of Workmen's Compensation" and other topics. S. Carlton is also among the speakers and will deal with a number of subjects, including burglary and inland transportation, with relation to automobile insurance. Other phases of automobile insurance will be treated by J. Blackwell, F.C.I.I. The fidelity guarantee and surety lectures will be given by Chas. Allen and J. B. Alexander.

Standard Paving Common Rises on Profits Gossip

Standard Paving common stock, listed in Toronto, has shown strength during the past week, a net rise of about five points bringing it up to around 33. This stock was sold to the public last spring.

Buying is said to have come from Ottawa where a large number of the important shareholders are located and where the company has its principal office. Several new contracts of substantial size have been booked by the company.

Unofficially, it is forecast that earnings will amount to about $5 a share during the current calendar year, which is also the company's fiscal year.

Charles E. Otton, Ltd.

1818 Scarth Street, Regina, Sask.

General Agents, Fire, Automobile, Hail Insurance.

Applications for Agencies invited.

Sun Life Assurance Plan New Building at Ottawa

From Our Own Correspondent

MONTREAL. — Purchase of three properties in Ottawa upon which it intends to erect a new building, expected to exceed $1,000,000 in cost, has been completed by the Sun Life Assurance Co. of Canada.

The newly acquired site faces on the Confederation Square almost opposite to the Union Station. It has a frontage of 180 feet on Elgin St. and the length of 133 feet on Queen St. and contains an area of approximately 13,600 square feet.

It is intended that the architecture of the building shall be in strict harmony with the architecture of the Parliament Buildings. In consequence the company will depart from the classical architecture which it has used both in its Montreal head office and its new London building, and will produce in Ottawa a building entirely of Gothic design.

The erection of the building will not be commenced for two or three years.

August Footwear Production Registered Seasonal Increase

From Our Own Correspondent

MONTREAL.—Returns of 178 factories out of a total of 185 factories in operation during August reveal a production of footwear amounting to 1,829,964 pairs, an increase over the preceding month of 197,088 pairs, or 12 per cent., but a decrease from August, 1927, of 25,427 pairs, or 1 per cent. The relative position of each classification with regard to total production for the month of August is as follows: footwear for women, 46 per cent.; for men, 30 per cent.; for misses and children, 11 per cent.; for boys and youths, 7 per cent. and for babies and infants, 6 per cent.

Accumulated production of footwear for the eight months ended August 31, 1928, was 13,706,937 pairs, or an average per month of 1,713,367 pairs, in comparison with the total of 12,848,082 pairs and an average per month of 1,606,010 pairs for the corresponding period of 1927.

The average output per factory in August last was 10,281 pairs, compared with 9,774 pairs in the preceding months and 10,663 pairs in the month of August last year.

Hold Silver Fox Show

The first silver fox show to be held in Alberta will run from November 14th to 17th in Calgary.

The PIONEER INSURANCE COMPANY

Fire Insurance at Tariff Rates

Pres.—JAMES STEWART
Vice-Pres.—FRANK O. FOWLER, Ex-Mayor of Winnipeg
Sec.-Treas.—J. H. FACHE

Head Office: WINNIPEG - MANITOBA

The CANADA NATIONAL FIRE INSURANCE COMPANY

Head Office - Winnipeg, Man.

E. F. HUTCHINGS, *President.*
HENRY SANDISON, *1st Vice-President and Managing Director.*
T. S. MCPHERSON, *2nd Vice-President.*

Applications for Agencies Invited

FIRE-MARINE-AUTOMOBILE-ACCIDENT-SICKNESS-BURGLARY-GUARANTEE

WESTERN ASSURANCE COMPANY

ESTABLISHED A.D. 1851

NORTHWESTERN MUTUAL FIRE ASSOCIATION

SEATTLE, WASHINGTON

Assets $4,026,244.79

HEAD OFFICE FOR CANADA—HAMILTON, ONTARIO

Branch Offices: Toronto, Ottawa, Vancouver, Victoria, Edmonton, Saskatoon, Calgary, Winnipeg, Montreal, Saint John, Halifax, and Charlottetown.

Writing Fire Insurance at Cost

ALL POLICIES DIVIDEND-PAYING AND NON-ASSESSABLE

The Independent Order of Foresters

Organized 1874

TOTAL BENEFITS Paid to Members and their Beneficiaries $94,000,000.00

Policies Issued from $1,000 to $5,000

G. E. BAILEY, Secretary — W. H. HUNTER, President — ALEX. STEWART, Treasurer

We Are Now Ready

to offer to men who measure up to Northern Life standards—direct home office, general agency contracts which provide vested renewals and general commissions —a contract that is a real basis for business building.

We want men who feel sure their inherent abilities and business experience can be most profitably employed in building a permanent career in Life Insurance

The NORTHERN LIFE ASSURANCE COMPANY OF CANADA

Established 1897

HEAD OFFICE LONDON, ONT.

Make Your Future SECURE

Invest Your Profits . . . NOW

When you are old and in need it will be TOO LATE

Your earning power is sure to fluctuate. As you grow older it may become greater—but in most cases it grows less—much less. Safeguard your future now! Divert part of your profits for use in old age. Buy Government Annuities—as a protection, and as an investment.

Government Annuities, in addition to their value as sure protection against poverty in old age, offer these worth-while features:

Free from Taxation — Cannot be attached for
No succession duties — any reason whatever
No medical examination

Canadian Government ANNUITIES

Free descriptive booklet may be obtained by calling at your nearest post office or by writing direct to the Superintendent of Annuities, Department of Labour, Ottawa.

Herbert Tareyton London Cigarettes

A Cigarette for those who prefer the best

Plain ends and cork tips

FOR PIPE SMOKERS Herbert Tareyton London Smoking Mixture

Pouch Package, 25c. Home Tin, $1.50

"THERE'S SOMETHING ABOUT THEM YOU'LL LIKE"

You Don't Have to Die to Win

In 1927 the Sun Life Assurance Company of Canada paid to living policyholders, in maturing policies and other benefits $28,991,551

These policyholders lived to enjoy the fruits of their own prudence.

To representatives of policyholders who died during the year 1927 the Company paid $13,232,698

These policyholders did not live to receive payment themselves. The money payable under their policies is giving a chance to those they left behind.

Sun Life policies provide independence for the policyholder who lives; they support the family of the policyholder who dies.

Sun Life Assurance Company of Canada

Head Office: Montreal

A Testimonial to Group Insurance

THE COMMERCIAL LIFE ASSURANCE CO. OF CANADA — HEAD OFFICE, EDMONTON — Sound as the Dominion

"Dear Mr. Glenwright,

Your Inspector has just given me The Commercial Life cheque for $1,000 in payment of the City of Edmonton group insurance of my late husband, F. W. Young. I am grateful that the City Officials had the foresight to have group insurance as it was the only insurance my husband had. The money will help me to keep our little home.

Yours very truly,
(Signed) MRS. ANNIE YOUNG."

MILL OWNERS MUTUAL FIRE INSURANCE COMPANY OF IOWA

Assets — $2,704,909 — Surplus — $1,282,787

GENERAL CLASSIFICATION OF BUSINESS TRANSACTED

POLICYHOLDERS' DIVIDEND RATE 25% TO 30%

Seneca Jones & Son, Hamilton, Ont.— Canadian General Agents

A new booklet dealing with

TRUST AND LOAN SECURITIES

THE FINANCIAL POST SURVEY OF CORPORATE SECURITIES of necessity omitted the Trust and Loan field; but now appears this supplementary volume which tells the exact position of each Trust and Loan Company in Canada — a group of companies which have done exceedingly well for their shareholders and which seem likely to show still more enhancement in stock value.

In this book each company is thoroughly reviewed — comparative figures are given showing, liabilities, earning records, capital, profits, dividend rate.

This little volume should be in the possession of every investor. Over 13,500 copies of The Corporate Security Book have been sold, exhausting the issue. Order a Trust and Loan booklet now to make sure of your copy.

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Current Events in Banking World

MANY U.S. BANKS DEFINITELY MAKE SERVICE CHARGES

Report of A.B.A. Committee Shows Spread of Movement

REDUCES LOSSES

Small Unprofitable Accounts Put on Paying Basis by Adoption of Tariff

That two-thirds of bank balances in the United States average less than $100 each, was the estimate made by committee on bank operation cost and income, reporting at the American Bankers' Association convention held at Philadelphia recently. The spread of the service charge on these small unprofitable accounts, the committee reported, is doing much to reduce the losses from handling these accounts. Many banks are also adopting a charge of 25 to 50 cents on every cheque drawn against insufficient funds.

The committee, of which Paul P. Brown, secretary of the North Carolina Bankers' Association, is chairman, summarizes the situation as to both service and insufficient funds charges, as follows:

"California—Service charge on accounts and N.S.F. cheques not general, but in effect in certain localities.

"Colorado—Bankers very much interested. Eighty-five per cent. using charge on accounts and 25 per cent. on cheques. Schedule for other services largely in use.

"Connecticut—All of the larger cities using charges.

"Delaware—Account charge used in Wilmington and cheque charge occasionally.

Charge on Returned Cheques

"District of Columbia—Banks very much interested, most of them having account charge. Twenty-five per cent. of banks charge on returned cheques.

"Georgia—Very much interested, 130 banks in 75 towns have account charge. Cheque charge generally enforced in organized counties. One hundred and twelve of 149 Georgia counties have adopted charges for various services.

"Idaho—Account charge adopted to some extent. Cheque charge by very few banks.

"Illinois — Account charge adopted extensively. Increasing interest noted in cheque charge. Association recommends schedule of charges.

"Indiana—About 20 cities have account charge. Cheque charge just getting started. Expect marked progress during coming year.

"Iowa—Very large number of banks have adopted both charges and others interested. Now working on uniform schedule of charges.

"Kansas — Account charge adopted quite extensively. Cheque charge by about half of banks. Schedule of other items in general use.

"Kentucky — Banks seem interested, but few have put on charge.

"Louisiana—Banks interested in account charge, which is being gradually adopted. Cheque charge not yet in effect.

"Maine—Several banks have account charge, but know of none having cheque charge.

Clearing House Regulation

"Maryland—Account charge is clearing house regulation in Baltimore. Some few banks in other towns make it. A few banks make cheque charge.

"Missouri—Account charge adopted by 225 banks. Very few make cheque charge.

"Montana—Account charge is now nearly 100 per cent. Only a few banks make cheque charge. Other schedules also generally adopted.

"Nebraska — Seventy-five per cent. of banks charge on small accounts; 25 per cent. make cheque charge. Schedule generally adopted.

"Nevada—Subject of account charge has been given very little consideration. In force in Reno only. Cheque charge not adopted.

"New Hampshire — Few banks analyze accounts. Four in Manchester make account charge. Cheque charge in probably only one or two cases.

"New Jersey — Account charge spreading rapidly and most banks will have it in use by end of year. Cheque charge in effect in many banks.

"New Mexico — Over two-thirds of banks make 50 cents account charge. Twenty per cent. charge on N. S. F. cheques.

"New York — Interest in analysis growing as time passes and service charge being put in effect in many places.

Committee at Work

"North Carolina—About one-third of banks have service charge and cheque charge in use in 75 or more banks. An active committee at work and both charges spreading.

"North Dakota—Bankers very much interested in analysis and account charges adopted by practically every member. Schedule of charges, including that on N. S. F. cheques, quite generally adopted.

"Ohio—Two years ago 20 banks had account charge. Number now 225 with another 100 to 150 giving matter serious consideration. Practically all banks making analysis. Cheque charge used by most of 225 banks mentioned and by many others which have not yet adopted the account charge.

"Oregon—Account charge almost universally in use. Cheque charge by one-third of banks. Standard schedule of charges unanimously adopted at state convention.

"Pennsylvania — Bankers very much interested. Account charge inaugurated in five or six sections lately. Cheque charge taking hold rapidly.

Rhode Island — Larger cities have account charge, none of smaller towns using it. Cheque charge not in use.

Another Committee

"South Carolina—Eighty banks and 14 branches out of total of 259 had service charge in operation on September 1. Movement spreading rapidly. Cheque charge in 10 per cent. of banks. Committee appointed to formulate schedule of charges.

"South Dakota — One hundred and ninety out of 416 banks have account charge. Twenty per cent. have cheque charge and 85 per cent. of banks have adopted miscellaneous charges as recommended by council.

"Tennessee — Account and cheque charges in use in city banks only.

"Texas—Banks very much interested. Just beginning to charge on unprofitable accounts. Four hundred out of 1,500 banks are making service charge on accounts and N. S. F. cheques.

"Virginia — Account charge adopted by most all of the cities, but not by the country banks. Cheque charge used in a few city banks.

"Washington — Sixty per cent. of banks have adopted partial or complete service charge. Twenty-five per cent. impose cheque charge. Schedule adopted in several counties.

"West Virginia—Account and cheque charges is used in four largest cities.

"Wisconsin—Out of 71 counties 25 have adopted account charge for every bank and 29 have one or more banks making the charge. Cheque charge effective in a few counties. Twenty-three county associations have adopted schedules.

Result of Education

"The information given above shows how rapidly the service charge spreads as a result of education. Four or five years ago, the adoption of the charge was beset with many difficulties, the bankers themselves fearing it most. Campaign of education conducted by various state secretaries have caused hundreds of them to classify their checking account and thus learn actual conditions. As a result both bankers and customers have been shown the fairness of the charge and its necessity.

"As a general rule bank customers are reasonable and are willing to cooperate with their banks in making their accounts profitable as soon as they are made to realize their responsibility. A great many of them feel that in some magic way accounts with balances of $5 or $10 produce a revenue to the banks. Because of this lack of information, a campaign of education covering from 60 to 90 days should be carried on by the banks through letters mailed to their customers or placed in the statements of the accounts at the close of each month.

"Bankers, themselves, have been surprised at the manner in which the charges on unprofitable accounts and bad cheques have been accepted by their customers. Instead of losing business, the amount of deposits has often been increased and the number of accounts lost has been comparatively small.

"In many localities, banks have been enabled to pay increased dividends of from three per cent. to 15 per cent. as a result of the adoption of the accounts charge. This shows the heavy losses which they had been absorbing and the amounts of which they had been depriving their stockholders through loss of earnings to which they were entitled. Banks that use these charges give the dividends to the stockholders, to whom they belong, or add them to the surplus for greater safety; those that do not, turn them over unknowingly to customers who are not entitled to them and who give them the most trouble and worry and cause them actual loss.

"In 18 or more states, the banks have during the past year reduced the interest paid on time deposits and this has resulted in a considerable saving to the banks.

"In practically every state, the secretaries have been responsible for the largest part of the work that has been done in educating the bankers to the need of account analysis and the advisability of the adoption of the various service charges. The committee is of the opinion that by so doing they have saved to their members hundreds of thousands of dollars and as a result banks have been strengthened, stockholders have received better returns on the money they have invested and customers have been made to realize the obligations which they owe to their financial institutions. We urge that this work be continued, feeling sure that the results obtained will more than justify the time and energy which the secretaries put forth."

Bank Chat

W. E. Cotton, of the Royal Bank staff, is now located at Clairmont, Alta., near Grand Prairie, in the Peace River district, where he has been placed in charge of a newly opened branch of the bank.

Keeping pace with the demands of business in the Peace River district, the Royal Bank of Canada is to erect a $15,000 branch office at Fairview, Alta. Contracts for this modern building have been awarded and it is the intention to have it completed as soon as possible. Fairview is the new end of steel on the north side of the Peace River and is located near Waterhole. During the past season there has been brisk building there and further expansion is expected in 1929.

Russell Harper, of the inspection staff of the Bank of Nova Scotia in the Maritime provinces, is on an official visit to branches of the bank in northern New Brunswick.

Robert C. Gore, of Kelowna, has been transferred to the Royal Bank branch in Nelson.

The well-dressed banker in Mexico carries an automatic, according to E. Garvie, manager of the Bank of Montreal in Pueblo, a town of Mexico, located in the highlands about a mile above sea level. Mr. Garvie's staff consists of 20 members and every man carries an automatic as part of his dress. Mr. Garvie is making the return trip to Pueblo after a two months' vacation spent at his old home in Owen Sound, Montreal and other Eastern points.

Good progress is being made on the new building of the Canadian Bank of Commerce at Edmonton, Alta. Every effort will be made to have the building closed in before the winter weather commences. The new structure is located at the corner of 101 Street and Jasper Avenue and is scheduled to be completed in the early spring, it is said.

H. H. Stevens is now manager of the Bank of Toronto at Mortlach, Sask.

The Royal Bank of Canada at Cochrane, Alta., was burned out recently by the fire which destroyed the Fisher Building. Business is now being carried on in temporary offices.

Work is well under way for the erection of the new branch office building for the Canadian Bank of Commerce at the south-east corner of St. Catherine St. W. and Metcalfe St., Montreal. Plans call for a six-storey building of stone construction with frontage of 28 feet on St. Catherine St. and 102 feet on Metcalfe St. The building will be fireproof and faced with natural cut stone. The cost is estimated at $150,000.

T. D. Robertson, of Lethbridge, Alta., has been transferred to the Royal Bank at Claresholm, Alta. Mr. Robertson has been relieving at Barons.

J. G. Gamon, accountant of the Royal Bank at Claresholm, Alta., has been transferred to Three Hills.

The Bank of Montreal has opened a new branch at Beechy, Sask., J. W. Spears, superintendent of Saskatchewan branches, announces.

Construction of the new Bank of Toronto building at London, Ont., is to be commenced at once, it is said, and plans call for its completion by the end of February, 1929. The new building, located at the corner of Dundas and Wellington Sts., will be five stories in height of stone and brick construction. The bank will occupy the lower floor and the upper four stories will be equipped as offices. It is understood that over $200,000 will be expended by the bank on the building. The Bank of Toronto in London have for the past few months been doing business in temporary quarters in the Hotel London.

Erected in 1862 the old Provincial Bank building on the east side of Place d'Armes, Montreal, is now being demolished. For 66 years this building has been a landmark and a place of historic interest. The site on which it stands was purchased some time ago by Aldred and Co., financial house. This concern also owns the adjoining site to the south, formerly occupied by Granger Frères, before the building was burned down. The company plans to build a large building on these two lots.

Advertising of the Royal Bank is taking a definite trend towards stressing the desirability of depositors attaining a definite objective in their savings accounts. It is easily understood that a depositor is more likely to respond to the idea of placing aside a certain amount each week until he has saved one thousand dollars, than he will to the old idea of saving indefinitely. Recent advertising lays several attractive savings plans before the public. The main feature is a $1,000 schedule. This plan calls for a deposit of $4.52 a week over a period of four years. At the end of this time deposits and compound interest total $1,000. Other schedules are laid down for the accumulation of the same amount in one, two and three years.

Another progressive advertising idea of the Royal Bank, is the distribution of paper covers for school books to schools throughout Canada. The cover is made of a hard-wearing kraft paper gummed and ready for folding. The back contains some advertising matter which is intended to sow the seed of thrift in the young mind, a form of advertising that may bring good results in years to come.

The Bank of Montreal has opened a branch at Frontier, Sask., under the management of W. R. Sutherland.

Arthur Webster, teller and accountant in the Lyndhurst branch of the Bank of Toronto, has been appointed to the Owen Sound branch.

L. Merritt, accountant at the Wolfville, N.S., branch of the Royal Bank of Canada, has been promoted to the branch at Tignish, P.E.I., where he will be manager.

Jas. Halton, of Pincher Creek, Alta., has been transferred to Medicine Hat, where he has been appointed assistant accountant at that branch of the Royal Bank of Canada.

The Bank of Montreal has opened a branch at Brownville in the Peace River country.

C. A. Shea, of Medicine Hat, has been transferred to the Pincher Creek, Alta., branch of the Royal Bank of Canada.

Mr. Munro, who has been on the staff of the Bank of Montreal, Kingston, for the past few months, has been made an inspector and leaves town to-day for his new position.

There has been a change in the Royal Bank staff at Delta, Alta., owing to the appointment of Walter E. Cottom, the accountant, to the managership of a newly opened branch of that bank at Clairmont, near Grande Prairie, in the Peace River district. J. G. Rae is accountant here.

Bridge Survey Completed

The preliminary survey of the site for the St. Lawrence River International Bridge, west of Brockville, has been completed by engineers working under the direction of W. A. McLean, C.E., Toronto, and the latter has expressed himself as well pleased with the surveys and with the soundings taken on shoals between Refugee Island and the United States shore. It is planned to make use of Smiths and Refugee Islands as stepping stones for the crossing of the river, which is approximately one mile in width at that point.

MAKE FAST PROGRESS ON DETROIT BRIDGE

Giant Structure at Border Cities to be Finished One Year Early

Great progress has been made on the $20,000,000 Ambassador Bridge which, spanning the Detroit River, will link the Ontario border cities of Sandwich, Ford, Walkerville, Windsor and others with Detroit. Construction already is so far advanced that the opening is scheduled for July 1, 1929, more than a year in advance of its projected completion.

All foundations and both main towers have been completed. Terminals have been completed with the exception of paving and finishing of buildings, and the steel work for the approaches on both sides of the river is in place. Foot bridges for pulling cables are up and cable construction is well under way.

The bridge structure itself is approximately 7,400 feet long. Adjoining the ends of the bridge structure proper will be two terminals, each roughly equivalent to a large city block in area. The distance from entrance to exit is approximately 9,000 feet.

An international bridge requires terminal areas and terminal developments of greater size and complexity than an intrastate or interstate bridge, because of the necessity for inspection by customs and immigration departments. These examinations consume varying amounts of time; and an area must be available large enough to permit vehicles and passengers obviously requiring extended examination to be parked out of the main line of traffic, while those requiring less extended examinations are routed through with minimum delay.

These terminals will provide an adequate number of collection booths and inspection shelters to handle as many streams of entering or leaving traffic as the bridge structure will accommodate. They will include warehouses for occasional storage of goods in bond, platform scales, and substantial structures for housing the inspection personnel, and the policing and administrative staff of the bridge company.

Each of the terminals is a veritable small city in itself. The one in Detroit covers an area of six acres and the terminal in Sandwich an area of seven and one-half acres. The detention areas in the terminals have a parking capacity of 300 vehicles undergoing or awaiting examination without obstructing any of the main lanes of traffic. It is estimated that 5,000 vehicles an hour can be handled through either terminal.

Weekly Bank Clearings

(As compared with same week last year)

Eastern Cities

	Oct. 13, 1927	Oct. 11, 1928
Halifax	$ 3,086,390	$ 3,833,007
St. John	2,518,207	2,796,291
Moncton	902,776	954,027
Quebec	8,071,118	7,305,364
Montreal	146,646,225	142,940,237
Sherbrooke	927,734	1,026,290
Ottawa	6,757,544	8,515,368
Kingston	1,025,064	917,386
Peterboro	995,633	982,934
Toronto	148,662,827	143,563,387
Hamilton	5,968,360	5,907,355
Brantford	1,392,918	1,529,201
London	3,586,769	3,515,582
Sarnia	584,773	815,083
Kitchener	1,344,458	1,429,184
Windsor	5,269,265	5,306,492
Chatham	814,225	....

Western Cities

	Oct. 13, 1927	Oct. 11, 1928
Winnipeg	$62,082,281	$ 92,345,024
Brandon	757,522	1,030,581
Moose Jaw	1,603,843	1,722,280
Saskatoon	2,546,638	3,488,869
Prince Albert	434,267	628,192
Calgary	7,340,562	15,252,464
Lethbridge	706,400	1,056,401
Edmonton	5,269,345	7,470,521
Medicine Hat	400,054	608,362
Vancouver	17,912,907	24,360,280
N. Westminster	959,070	919,482
Victoria	2,789,802	2,695,636
Fort William	1,232,155	1,476,280
Regina	5,751,408	8,870,303

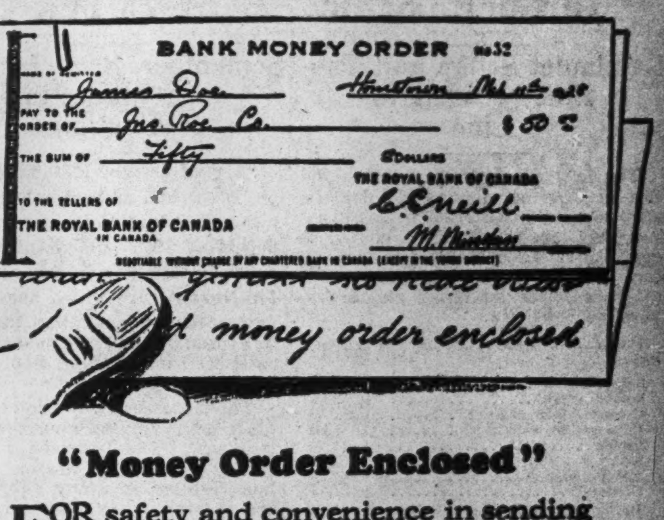
Saskatchewan Wheat Will Average Low Grade

From Our Own Correspondent

REGINA.—Wheat threshing is about 95 per cent. completed in Saskatchewan, and coarse grains over 90 per cent., according to telegraphic reports received by the statistics branch of the Department of Agriculture. The weather up to last week has been remarkably favorable for threshing but rain and snow about the middle of the week stopped operations in many districts. Wheat in general is grading low and possibly around 65 per cent. will grade below No. 3 Northern. On account of the dry weather, only a small amount of fall ploughing has been done but the soil is now in better condition, as a result of the snow and rain of last week. Live stock are in fairly good condition and, although pastures are pretty bare, the stock are now getting the range of the stubble fields in many places.

Will Build Storage Plant

Tenders are called for the construction of a five-storey concrete plant for the Victoria Cold Storage and Terminal Warehouse Company, of which the cost is estimated in the neighborhood of $600,000.



"Money Order Enclosed"

FOR safety and convenience in sending money by mail anywhere in Canada, the United States or the British Isles, use Royal Bank Money Orders. They may be obtained at any branch of this Bank and are issued payable in either dollars or pounds.

G618

The Royal Bank of Canada

Chicoutimi Branch—R. Babineau, Manager
Branches also at Arvida, Port Alfred and Kenogami.

Calgary, Alberta
Stock, Bond and Grain Brokers
Industrial Financing
Carlile & Farr Ltd.
Private wire to all markets.
Correspondents of Osler & Hammond

MARA & McCARTHY
Members { Toronto Stock Exchange / Montreal Curb Market / New York Curb Market (Associate)
STOCK BROKERS
W. HAROLD MARA, LEIGH M. McCARTHY, H. G. DAVIDSON, JOHN A. MARA
297 Bay Street, Toronto

WILTON C. EDDIS & SONS
Established 1895
CHARTERED ACCOUNTANTS
Federal Building, Toronto

GEORGE A. FULLER COMPANY OF CANADA LIMITED
BUILDING CONSTRUCTION
MONTREAL TORONTO
Established in Canada in 1909

We Feature Collections

OUR Collection Service is a matter of pride with us. It is very carefully organized and supervised. Messengers are courteous and efficient.

Rest assured that your Drafts will be forwarded and presented promptly, and thereafter followed up until the credits appear in your bank account.

Any branch of the bank will give you painstaking and dependable service.

IMPERIAL BANK OF CANADA
191 Branches in Dominion of Canada

Agents in: ENGLAND—Lloyds Bank, Limited, London and Branches. SCOTLAND—The Commercial Bank of Scotland, Limited, Edinburgh and Branches. IRELAND—The Northern Banking Co., Limited, Belfast and Branches. FRANCE—Lloyds and National Provincial Foreign Bank, Limited, Credit Lyonnais.

A LEGAL INVESTMENT for LIFE INSURANCE COMPANIES UNDER the INSURANCE ACT, 1917, CANADA

NEW ISSUE

$800,000

Balfour Building, Limited
(Quebec Charter)

St. Lawrence Boulevard and Prince Arthur Street, Montreal

6% First Closed Mortgage Sinking Fund Gold Bonds

To be dated October 1, 1928 — To mature October 1, 1943

Interest coupons payable April 1 and October 1. Principal and interest payable in gold at the Bank of Montreal at Halifax, St. John, Quebec, Sherbrooke, Montreal, Ottawa, Toronto, Hamilton, London, Winnipeg, Regina, Calgary, Edmonton and Vancouver. Registerable as to principal only. Redeemable in whole or in part on 60 days' notice up to and including October 1, 1933, at 105 and interest; thereafter up to and including October 1, 1939, at a premium decreasing one-half per cent. per annum; and thereafter until maturity at 102 and accrued interest.

DENOMINATIONS: $1,000, $500, $100.

TRUSTEE: National Trust Company, Limited, Montreal.

Mr. Charles G. de Tonnancour summarises from his letter to us as follows:

The Balfour Building is a modern, fireproof, 10-storey, store, office and loft building in course of construction on the southeast corner of St. Lawrence Boulevard and Prince Arthur Street, Montreal. St. Lawrence Boulevard is one of the most rapidly developing business streets in Montreal. The Balfour Building is located in the clothing trades district and, with unobstructed light on three sides, is specially designed and well located to serve these industries.

Robertson & Janin Building Co., Limited, successor to Quinlan & Robertson, Limited, is the contractor for the erection of the building.

Appraised Value of Property on Completion of Building	$1,348,500
Amount of This Issue of Bonds	800,000

This issue of bonds is 59.3 per cent. of the appraised value of the property. Net revenue is estimated at 2.18 times bond interest.

SECURITY: The bonds are secured by a trust deed in favor of National Trust Company, Limited, Montreal, acting as trustee for the bondholders, which constitutes a first and direct specific hypothec, mortgage, pledge and charge on and of land located on the southeast corner of St. Lawrence Boulevard and Prince Arthur Street, in the city of Montreal, and a modern, 10-storey, reinforced concrete, fireproof, office and loft building now being erected thereon. The bonds are also a floating charge on all the company's assets present and future except those specifically charged as mentioned above.

LOCATION: The building will be located on the southeast corner of St. Lawrence Boulevard and Prince Arthur Street in the city of Montreal, and will extend eastward along the latter thoroughfare to St. Dominique Street, unobstructed light being thus obtained on three sides. St. Lawrence Boulevard is one of the most rapidly developing business streets in Montreal, and in the opinion of competent real estate authorities, its development is only beginning. It is the only important street in the city which runs directly across the island of Montreal from the St. Lawrence River to the Back River, and it is therefore one of the city's main arteries of traffic.

EARNINGS: Ernest Pitt & Co., who will be the managers of the building, estimates gross annual revenue at $155,635 which, after allowing 10 per cent. for vacancies and deducting $35,000 for cost of maintenance, including municipal taxes, leaves an estimated net annual revenue of $105,072. This is over 2.18 times the maximum interest requirements on these bonds.

VALUATION: Wilde & Brydon, Limited, successor to Carswell Construction Co., Limited, has examined the site, the plans and specifications and the estimate of revenue. Based on a valuation of $217,500 for the land by National Trust Company, Limited, it values the entire project on completion at $1,348,500.

On the basis of these appraisals, this issue of bonds amounts to 59.3 per cent. of the value of the property.

RENTING PROSPECTS: The clothing trades of Montreal are at present very inadequately housed, chiefly in the upper storeys and attics of old 1½ and 2-storey residences, the first storeys of which have been converted into small stores. In many of these structures no fire insurance whatever is available to the tenants. Consequently, there is a keen demand for such modern, fireproof quarters as will be provided in the Balfour Building.

SINKING FUND: A cumulative monthly sinking fund beginning October 1, 1930, sufficient to retire $475,000 of these bonds by maturity, is provided.

INSURANCE: Insurance against fire, personal liability, boiler explosions, claims under workmen's compensation acts and insurance of rentals by use and occupancy insurance to the full amount obtainable against every insurable contingency, all payable to the trustee, is provided for in the trust deed.

SURETY BOND: A surety bond in a sum equal to half the amount of the construction contract will be taken out guaranteeing the proper construction of the building and its completion free of liens and in accordance with the plans and specifications not later than May 1st, 1929.

SPECIAL SAFEGUARD: The company binds itself not to declare any dividend on its common stock until three years after the completion of the building and then only after it has set aside out of surplus earnings a special reserve fund equal to the amount of dividends declared. This special reserve fund shall accumulate till it reaches the sum of $75,000, at which figure it shall be maintained as a safeguard for the continuous payment of bond interest.

LEGAL OPINION: McGibbon, Mitchell & Stairs for the underwriters and Campbell, McMaster, Couture, Kerry & Bruneau for the company.

We recommend these bonds for conservative investment, and offer them when, as and if issued and accepted by us and subject to the approval of counsel.

PRICE: 99 and accrued interest, yielding over 6.10%

McLeod, Young, Weir & Company
Limited
Metropolitan Building, TORONTO
MONTREAL OTTAWA HAMILTON LONDON NEW YORK

The statements contained in this advertisement are based on information we believe to be reliable, and on which we acted in purchasing these bonds, although we do not guarantee their accuracy.

WE WILL BUY - WE WILL SELL

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Algoma Steel Corp., 5%, 1962	Algoma Steel Corp. 5%, 1962
Asbestos Corp., 6%, 1956.	B. C. Power Units
Baillargeon Express 6%.	Can. Light & Power Common.
B. C. Power Units	Can. Hydro Electric Pfd.
Brandram Henderson Common	Dominion Iron & Steel 5%, 1939.
Can. Machinery Common	Dupuis Freres 8% Pfd.
Dunlop Tire Pfd.	Durant Motors of Canada.
Holt Renfrew 6½%, 1937	Fraser Co. 6%, 1950.
Insurance Shares	Imperial Royalties Pfd.
Keefer Realty 6½%, 1943	King Edward Hotel Debentures.
Mansfield Theatres Common	C. W. Lindsay Pfd. & Com.
McNish, Robt. 6% Debentures	Mt. Royal Hotel Pfd. & Com.
Montreal Finance 8% Pfd.	Mt. Royal Hotel Dividend Scripts
Mt. Royal Hotel Pfd. & Com.	N. S. Steel & Coal 6% Debentures
Municipal Bonds.	Perfection Glass
Standard Clay Products 6%, 1942	Pilsner Beer Pfd. & Com.
Sun Life Assurance Co.	Traymore Cafeteria Common
United Amusements Common	Windsor Hotel Common

Unlisted Stocks and Bonds
Bought — Sold — Quoted

McFETRICK & CO. 388 St James Street, MAin 4120-4121 — Montreal

McDougall & Cowans
Members of the Montreal Stock Exchange
Members of Montreal Curb Market
200 St. James Street, W.
STOCK BROKERS
HALIFAX SAINT JOHN, N.B. QUEBEC
OTTAWA TORONTO WINNIPEG
MONTREAL
Direct Private Wire to All Branches and New York

Automobile Industries

GENERAL MOTORS SHOWS OAKLAND OLYMPIC SERIES

Landaulet Sedan and Cabriolet Added to Line

The new Olympic Series Oakland Six is now on display at dealers' showrooms. In addition to the sport roadster, sport phaeton, coupe, 2-door sedan which were available in the previous series the new series offers a landaulet sedan and a convertible cabriolet.

Prices f.o.b. Oshawa. All charges and taxes included.

2-door sedan	$1,611.50
4-door sedan	1,739.50
Convertible landaulet	1,913.50
Convertible cabriolet	1,754.50
Coupe	1,611.50
Sport roadster	1,667.50
Sport phaeton	1,667.50
Chassis	1,134.50

Prices include bumpers, bumperettes, spare tire, tube and cover, Lovejoy shock absorbers, leather spring covers, and full tank of gasoline.

The body design of the new Oakland is very different from that of its predecessor. The bodies are F sher built but larger. The rear seats of all five passenger models are two inches wider than before giving additional roominess. The larger bodies do not, however, increase the size of the tread. The body lines have been altered by raising the radiator so that the line from the base of the cowl to the radiator cap is practically level.

Mount Engine in Rubber

The new line offers a bigger, more powerful motor mounted in rubber. The cylinder bore has been enlarged from 3¼ in. to 3⅜ in. resulting in the increasing of the cylinder displacements to 228 cubic inches as against 212 in the earlier model. A speed of 70 miles an hour and acceleration from 10 to 25 miles in six seconds are claimed for the new Oakland.

Brakes are of the mechanical four wheel type, self energizing, with internal expanding shoes on all four wheels. The new model gives increased braking power.

A range of color combinations is available and also special sport equipment consisting of six wire wheels.

DURANT MOTORS INCREASES SALE BY 25 PER CENT.

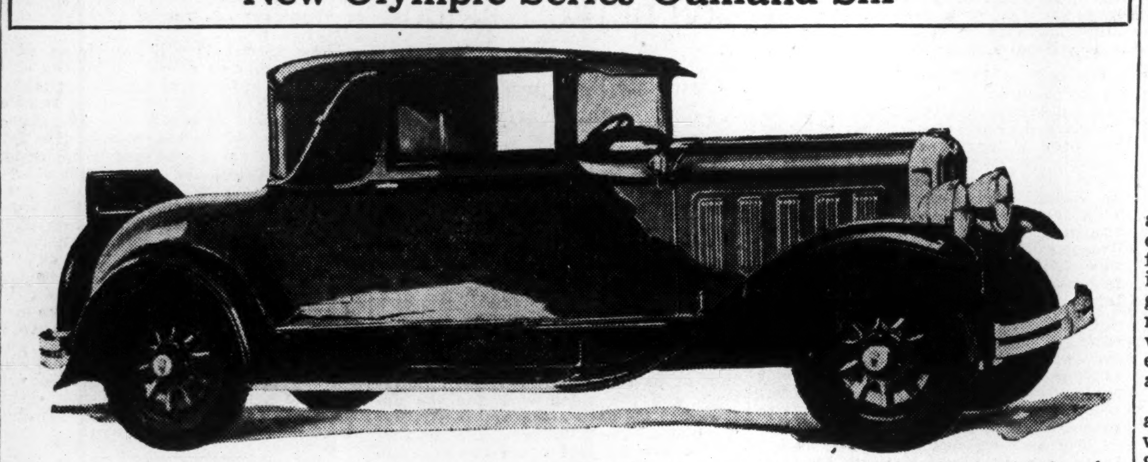
September Saw Increases in Marketing Continue

Sales of Durant Motors of Canada up to the end of September were 25 per cent. ahead of the corresponding period of 1927 officials of the company state. The increased demand for Durant cars which has been experienced this year was maintained in September and that month showed sales well in excess of September of last year.

The motor truck division of Durant Motors has met with marked success, it is said. The demand for the company's trucks by western farmers has resulted in many shipments to the western provinces, particularly of the Rugby line. Shipments of trucks by the company total 1,200 of all types.

Four lines of trucks are manufactured by the company, the 1 ton four cylinder; the 1½ ton, six cylinder with four speed transmission; the ½ ton truck; and a light convertible type.

New Olympic Series Oakland Six



A distinct change in body design is one of the features of the New Oakland just announced by General Motors. The model above is the Convertible Cabriolet

Pierce Arrow Develops 10-Ton Heavy Duty Truck

A new 10-ton truck has been developed by the Pierce Arrow Motor Car Company, having in mind the needs of sand and gravel operators who require a special heavy duty unit. The new truck is known as model R-G and has a vehicle gross weight rating of 36,000 pounds—20,000 of which may be pay load. Two wheelbases are available, a standard length of 14 feet, and a tractor size of 12 feet. Normal speed is claimed for the new model. One feature of construction is that the foot pedal operates by power the brakes on the rear axle and on the propeller shaft.

General Motors Additions to Oshawa Plant Proceed

General Motors building plan at Oshawa, which calls for the expenditure of $100,000 in additions and new buildings, is proceeding satisfactorily it is said. The stamping plant is one unit that is being enlarged to provide double capacity to meet the expected increased demand due to the Regina expansion. Additional space is being provided by excavating under the present plant and constructing a basement at the cost of about $40,000. New machinery costing $40,000 will be placed in this addition which is scheduled to be in operation about March 1. This plant is used in the manufacture of fenders, hoods, radiator shells, and other sheet metal parts of the bodies.

The plans also include a 4,000 ton coal storage building, additions to the central heating plant equipment, additions to the lumber storage building and a new brake testing building.

British Dunlop in Control Now of Canadian Company

A controlling interest in the Dunlop Tire & Rubber Goods Company, Toronto, has been acquired by the Dunlop Rubber Company, of London, England, it is announced by Sir John George Beharrell, managing director of the English company. Control was gained, it is said, by the company securing a controlling interest in the Tire Investment Trust, Limited, formed in 1917 to acquire the Dunlop Rubber Co., (Far East) and an interest in the Dunlop Tire & Rubber Goods of Canada.

The Dunlop Rubber Co. of London originally owned the Dunlop Tire & Rubber Goods Co., but some years ago sold it to Hon. E. B. Ryckman and associates. The latter company was formed in 1899 to take over the Canadian business of the American Dunlop Tire Co., a branch of the original Dunlop Pneumatic Tire Co. of London, England. The company manufactures all kinds of rubber goods. The Dunlop Tire & Rubber Goods is capitalized at $10,000,000, $600,000 in 7 per cent. preferred stock, all of which is issued, and $9,400,000 in common stock, none of which is in the hands of the public.

New Ontario Distributor to Handle Auburn Cars

A new company, Auburn Motor Sales Ltd., has been formed to handle the distribution of Auburn cars for Ontario. The headquarters of the company will be at 1,200 Bay Street, Toronto, where a show rooms and service departments will be maintained. It is expected that the show rooms will be ready for occupation in about a week or so, the company will carry a complete line of Auburn cars both sixes and eights.

The president of the Auburn Motor Sales Ltd. is William C. Van Horne, a grandson of Sir William Van Horne. M. B. Williams is vice-president, and E. Earl Lathrop, treasurer.

Packard Production

Packard, in the nine months ending Sept. 30, shipped 37,033 cars, as compared with 24,124 in the same period last year.

Bank of Montreal Makes Striking Promotions

Dodds, Norsworthy, Spears and Spinney All Get Important New Posts in Bank

From Our Own Correspondent

MONTREAL.—Three new assistant general managers for the Bank of Montreal and the transfer of a fourth from Winnipeg to head office in Montreal are taken to presage greater activity in going after business by the oldest of Canadian banks, which was for many years the largest. The appointments announced are as follows:

Jackson Dodds, Winnipeg, assistant general manager in charge of western branches, to be an assistant general manager at the head office in Montreal.

S. C. Norsworthy, Toronto, district superintendent for Ontario, to be assistant general manager in charge of Ontario branches, with headquarters at Toronto.

J. W. Spears, Regina, district superintendent for Saskatchewan, to be assistant general manager in charge of western branches, with headquarters at Winnipeg.

G. W. Spinney, assistant to the general manager at Montreal, to be an assistant general manager.

Mr. Dodds is recognized as one of the West's outstanding bankers and his transfer to Montreal has long been forecast. Mr. Spears is the logical successor of Mr. Dodds.

Mr. Norsworthy gets a change of title and probably more authority while remaining in his own field. Mr. Spinney has been closely associated with Sir Frederick Williams-Taylor, general manager, for some years.

Dominion Bridge Makes Declaration of Bonus

From Our Own Correspondent

MONTREAL.—Action of the directors of Dominion Bridge in declaring a 20 cent bonus in addition to the regular 65-cent quarterly dividend on the common stock, was not unexpected in view of recent developments.

As far as the company itself is concerned, earnings are generally believed to be running well ahead of last year and as the company has sufficient business on hand to keep it busy for many months to come, the special bonus is considered justifiable.

Furthermore Dominion Bridge's revenue was augmented this year by the increase in dividend of its subsidiary, Dominion Engineering Works.

The stock of Bridge has been more active during the past week or two in the unconfirmed news that plans were under way to bring Dominion Bridge and Dominion Engineering together. It is stated that this consolidation would simplify capital structure of the two concerns, etc. On the other hand there would be little value in such a move, as operations of the two companies are dissimilar and little or no saving could be effected in manufacturing or management costs.

FANNY FARMER MONTH'S SALES AGAIN INCREASE

Laura Secord Tops Two Million for Year Just Closed

Sales of Fanny Farmer Candy Shops, Inc., were $11,218 greater in September, 1928, than in September, 1927, and sales for the first nine months of the current year were greater by $25,435 than in the corresponding period of last year.

The company is now operating 104 shops. In the last few months, six shops have been closed as unprofitable, but six new shops have been opened in Cleveland, and it is planned to have twelve in operation there before the end of the year. A factory has been established in Cleveland and the directors of the company believe that the outlook in that district is promising.

Laura Secord Candy Shops, controlled by the same group, topped the $2,000,000 sale mark for the first time in the history of the company, in the fiscal year ended September 30. The figures for the two chains follow:

Laura Secord Candy Shops	
September, 1928	$ 195,120
September, 1927	171,695
Increase	$ 23,424
Twelve months, 1928	$2,151,419
Twelve months, 1927	1,979,701
Increase	$ 171,708
Fanny Farmer Candy Shops	
September, 1928	$ 309,309
September, 1927	298,091
Increase	$ 11,218
Nine months, 1928	$2,564,058
Nine months, 1927	2,538,623
Increase	$ 25,435

REGENT KNITTING PROFITS GREATER DURING HALF YEAR

With Best Six Months Ahead, Excellent Showing Expected

From Our Own Correspondent

MONTREAL. — Regent Knitting Mills record an approximate increase of 25 per cent. in net earnings for the first six months of operations this year over the same period last year.

This is considered highly satisfactory in view of the fact that the company's last half yearly period is generally a good deal more productive than the first half, so that the increase may reasonably be expected to be maintained or even bettered. Moreover the plant in Montreal will be closed up shortly and further increases are looked for in the centralization of the company's activities in St. Jerome, Que., where the main plant is now situated.

Recently Financed

The Regent Knitting Mills made its first public offering of stock in January this year. Prior to that time public interest was confined to the bond issue. Funded debt consists of $551,800 six and one-half per cent. first mortgage bonds.

There are 16,000 shares of preferred stock outstanding, these have a par value of $25 and carry a dividend of $1.60 a share. In addition to this there are 65,000 shares of n.p.v. common stock issued. Recent transactions in this stock on the Montreal Curb have been around 20.

Regent Knitting Mills owns spinning, knitting and dyeing plants at St. Jerome, a plant in Montreal to be closed shortly and its business transferred to St. Jerome, and a cotton spinning mill at Guelph. Growth of the company has been consistent and the present increase in earnings augurs well for the future.

It is understood that there is a likelihood of some action being taken regarding the dividend on the common stock at the end of the year.

NOTICE OF DIVIDEND

WOOD, ALEXANDER & JAMES, Limited

The regular quarterly dividend of 1¾% on the First Preference Shares of this Company has been declared payable Nov. 1st to shareholders of record Oct. 20th.

By order of the Board.
W. J. CUNNINGHAM,
Secretary.
Hamilton, 16th October, 1928.

DOMINION BRIDGE COMPANY, LIMITED

Notice is hereby given that a Dividend of Sixty-five Cents (.65c) per Share for the Quarter ending 31st October, 1928, and a Bonus of Twenty Cents (.20c) per Share for the Fiscal Year ending 31st October, 1928, have been declared on the No Par Value Shares of this Company and ordered to be paid on the 15th November, 1928, to Shareholders of record at the close of business on the 31st October, 1928.

By Order of the Board.
F. W. EVENS,
Secretary.
Montreal, Que., 16th October, 1928.

OFFICE EXECUTIVE AVAILABLE Extensive experience in Office Management, Manufacturing, Merchandising and Cost Accounting. Is desirous of making connection with progressive corporation. Box 255, The Financial Post, Toronto, Ont.

The Royal Bank of Canada

DIVIDEND No. 165 AND BONUS

NOTICE is hereby given that a DIVIDEND OF THREE PER CENT (being at the rate of twelve per cent per annum) upon the paid-up capital stock of this bank has been declared for the current quarter, also a bonus of two per cent for the year ending November 30, 1928, and that the same will be payable at the bank and its branches on and after Saturday, the first day of December next, to shareholders of record at the close of business on the 31st day of October.

By order of the Board.
C. E. NEILL,
General Manager.
Montreal, Que., October 12, 1928.

DIVIDEND NUMBER 181

Hollinger Consolidated Gold Mines, Limited

(No Personal Liability)

A dividend of 1 per cent. on the outstanding Capital Stock of the Company has been declared payable on the 3rd day of November, 1928, on which date cheques will be mailed to shareholders of record at the close of business on the 17th day of October, 1928.

Dated the 11th day of October, 1928.
I. McIVOR.
Assistant Treasurer.

ABITIBI POWER & PAPER COMPANY LIMITED

Dividend Notice

Notice is hereby given that a quarterly dividend of One Dollar per share has been declared on the Common Stock of the Abitibi Power & Paper Company, Limited, payable the 20th day of October, 1928, to shareholders of record at close of business the 10th day of October, 1928.

By order of the Board.
W. H. SMITH,
Secretary-Treasurer.

The Canadian Bank of Commerce
The Standard Bank of Canada

Notice is hereby given that it is the intention of The Canadian Bank of Commerce and The Standard Bank of Canada to apply to the Governor-in-Council of Canada for approval of an agreement between the said banks for the purchase by The Canadian Bank of Commerce of the entire assets of The Standard Bank of Canada.

This notice is given pursuant to Section 106 of the Bank Act, and such application will be made after this notice has been published for at least four weeks, as required by the said Section.

S. H. LOGAN,
General Manager, The Canadian Bank of Commerce.
N. L. McLEOD,
General Manager, The Standard Bank of Canada.
Dated Toronto, 18th September, 1928.

The Canadian Bank of Commerce

Dividend No. 167

Notice is hereby given that a dividend of three per cent. upon the paid-up capital stock of this Bank has been declared for the quarter ending 30th November, 1928, together with a bonus of one per cent., payable at the Bank and its Branches on and after Saturday, 1st December next, to shareholders of record at the close of business on the 15th day of November, 1928. The transfer books will not be closed.

By order of the Board.
S. H. LOGAN,
General Manager.
Toronto, 12th October, 1928.

UNDER THE MANAGEMENT OF POWER CORPORATION OF CANADA LIMITED

SOUTHERN CANADA POWER COMPANY LIMITED

Common Dividend No. 14

A DIVIDEND of One Dollar ($1.00) per share on the NO PAR VALUE COMMON STOCK OF SOUTHERN CANADA POWER COMPANY LIMITED has been declared payable November 15th, 1928, to shareholders of record October 31st, 1928.

By order of the Board.
L. C. HASKELL,
Secretary.
Montreal, September 28th, 1928.

GEORGE WESTON, LIMITED

Preferred Dividend Notice

Notice is hereby given that a dividend of one and three-quarters per cent. for the three months ending 31st of October, 1928, (being at the rate of Seven per cent. per annum) has been declared on the 7% cumulative Preference Shares of the Company, and will be payable on or after November 1st, 1928, to the Preferred Shareholders of record at the close of business on the 20th of October, 1928.

By order of the Board.
CHARLES W. KERR,
Secretary.
Toronto, October 10th, 1928.

DIVIDEND NOTICE

Massey-Harris Company, Limited

Preference Stock Dividend No. 12

Notice is hereby given that a dividend of 1¾% on account of dividends for the present fiscal year has been declared on the 7% cumulative preference stock of the Company.

The above dividend is payable on and after the Fifteenth day of November, 1928, to shareholders of record at the close of business on the thirty-first day of October, 1928.

By order of the Board.
C. N. APPLETON,
Secretary.
Toronto, 15th October, 1928.

Tenders for Debentures

Sealed tenders addressed to the undersigned and marked tenders for debentures will be received until 12 o'clock noon, Saturday, October 27, 1928, for the purchase of $40,000.00 Town of Forest debentures bearing 5% interest and payable in twenty equal annual instalments as to principal and interest. Issued under the authority of by-law No. 677 to meet the estimated expenditure for the erection of an addition to the High School of the Town of Forest.

W. J. ENGLISH,
Town Clerk,
Forest, Ontario.
October 15, 1928.

THE STANDARD BANK OF CANADA

Quarterly Dividend Notice No. 152

A Dividend of Three Per Cent. (3) for the three months ending 31st October, 1928, being at the rate of Twelve Per Cent. (12) per annum, has been declared payable on the 31st of October, 1928, to Shareholders of record as at the 16th of October, 1928.

The Transfer Books will be closed from the 16th to 31st October, 1928, both days inclusive.

By Order of the Board,
N. L. McLEOD,
General Manager.
Toronto, September 18th, 1928.

BRAZILIAN TRACTION, LIGHT AND POWER COMPANY, LIMITED

(Incorporated under the Laws of Canada)

Notice is hereby given that the Board of Directors of this Company has declared a quarterly dividend of 44 cents per share on the Company's issued Ordinary Shares of no par value payable on 1st December, 1928, to shareholders of record on the registers at the close of business on the 31st October, 1928.

The present dividend does not apply to the Ordinary Shares recently subscribed for, which under the terms of the subscription will only rank for dividend as from 1st December, 1928.

Dated at Toronto, Canada, 11th October, 1928.
J. M. SMITH,
Secretary.

Note: The Transfer Agents of the Company are National Trust Company, Limited, Toronto and Montreal, Canada.

The London Agents of the Company are the Canadian and General Finance Company, Limited, 3 London Wall Buildings, London E.C. 2, England.

GENERAL STEEL WARES LIMITED

Notice is hereby given that a dividend of one and three-quarters per cent. (1¾%) has been declared on the Preferred Stock of GENERAL STEEL WARES LIMITED, for the quarter ending October 31st, 1928, payable on November 1st, 1928, to Shareholders of record at the close of business October 15th, 1928.

(Sgd.) D. W. DICKSON,
Secretary.

FOREIGN POWER SECURITIES CORPORATION Limited

6% Preferred Dividend No. 6

A Dividend of one and one-half per cent. (1½%) (being at the rate of 6% per annum) on the 6% Cumulative Participating Preferred Stock of Foreign Power Securities Corporation, Limited, has been declared for the quarter ending October 31st, 1928, payable November 15th, 1928, to shareholders of record at the close of business October 31st, 1928.

By Order of the Board.
L. C. HASKELL,
Secretary.
Montreal, September 28th, 1928.

The Silver Bullet that Won the War

TO HELP make it Canadian men and women raised $1,700,000,000. We backed it with 600,000 troops; with 65,343,647 shells and thousands upon thousands of explosives. We built 2,900 aeroplanes. Do you know, do your children know what Canada did in The Great War?

Do you know the thrilling story of THE MEN BEHIND THE MEN BEHIND THE GUNS—and the women, too? The story of our airmen, the story of our forestry and railway battalions, of our doctors, of our nurses? The story of those who couldn't "go" but who gave all they had?

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"CANADA IN THE GREAT WAR"

by

Major George A. Drew

OCTOBER 15th issue of

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The inside story of the youth who won a dual Olympic Championship for Canada—Percy Williams, by R. T. Elson.

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Here is one episode in the history of the Royal North West Mounted Police which allows an argument. Harwood Steele records it.

BRING BRITISH INDUSTRIES TO CANADA
Canada has sufficient white coal, sufficient water power, to support millions more people. If we can't get farmers, get skilled workmen. Attract industry to employ them. That is Honorable E. C. Drury's suggestion for solving our Population Problem. You may not agree with "THE WAY OUT," BUT READ IT. The press of Canada has hailed this series by Mr. Drury as the most thought-compelling survey of our Immigration situation yet written.

Students! Teachers! Will be interested in MacLean's National War Essay Contest. Full particulars appear in the October 15 issue. $1,000 in Cash Prizes

Should Hollinger-McIntyre Merger be Consummated?

CANADIAN MINING NEWS

Regular Weekly Department of The Financial Post

Millions Poured Into Nickel Shares on Stock-Split Rvmor

McIntyre Exploration from 3,000 to 4,000-ft. Will Tell Mill Story

Can This Section of Mine Practically Double Ore Reserves?

DECISION DISTANT

Great Deal of Dead Work to be Done Before Making Ore

McIntyre shares have stood the testing period on the mining market better than any other of the leading gold stocks. Experience with Hollinger and Wright-Hargreaves, which issues in about one year's time showed a decline of well over $100,000,000, in market value, is attributed the serious break in the other golds. Yet McIntyre which lies right beside Hollinger showed a depreciation in market value of around $7,000,000

While undoubtedly part of McIntyre's decline has been due to its proximity to Hollinger, it is quite clear, from the market action of the stock, that the big holders do not share the view that McIntyre will go to pieces the same way as Hollinger has gone, a view that is frequently heard.

Critical of Hollinger

Recently a New York journalist wrote a rather critical article on Hollinger, making the point that the physical condition of the mine never justified the mill expansion plans with 8,000 tons daily as the goal.

There are few mining men who know the Hollinger mine who will agree with him, but the point is, that it is because McIntyre has not gone ahead with a similar big mill expansion that has occasioned so much criticism of the McIntyre operation. Undoubtedly also, this is the real explanation of why McIntyre's market valuation has held around $20,000,000, with Hollinger, Teck-Hughes, Lake Shore and others soaring.

Why is McIntyre moving so slow? Why haven't they started construction of a new mill? are questions heard frequently.

Numerous mining factors entered into the discusion of Hollinger to go ahead with its big mill expansion and undoubtedly these same factors are holding back the management of McIntyre from making its decision.

Wanted to Know Quick

Two or three years ago in discussing the future of McIntyre, Gen.-Mgr. R. J. Enis remarked that "if we are going to have a 3,000 or 4,000 ton operation here, the sooner we find it out the better."

Evidently McIntyre has not found the answer to its complete satisfaction as yet, because McIntyre has made no move to build a new mill.

It is generally accepted that Hollinger management on opening the mine up below the 1,500 ft. level, concluded that the general condition of the mine, as found in the upper levels—a big low grade venture, with an average gold content of around $6 to $7—applied to the whole property and that no change was to be expected at depth.

An analysis of Hollinger reserves give a good idea of the values.

The last report showed 22 veins carrying gold values averaging over $10, with a total tonnage of 1,646,868 an average value of $12.14 per ton. There were 33 veins containing 2,605,630 tons of $8.93 ore. Twenty veins with 536,940 tons of $7.64 ore. This made 4,789,438 tons of ore in 75 veins averaging $9.89 per ton. Veins running under $6 contain 2,425,137 tons, about one-third of the total ore reserve of the mine, and averaging $4.70 per ton. To make the last ore and other ore of a similar nature profitable was the aim of the big tonnage venture.

The report credited Hollinger with $60,225.539 in ore reserves, a decline from $66,081,733 in 1926.

Having reached the conclusion that it was a big low grade venture, Hollinger set out to devise ways and means of getting the most profit out of the operation. The facts showed

(Continued on page 22)

McIntyre Earnings Show Fair Increase

For the first six months of the present fiscal year McIntyre's gross recovery passed the $2,000,000 mark, showing an increase over the same period last year of $185,000. Naturally gross costs were higher, but less than half the increase in output. So that net income, with a high non-operating revenue shows an increase of $112,000. After allowance for taxes, the net before depreciation is $930,534, an increase of $100,553 for the half year. The increase was fairly well distributed in the two quarters.

On a gross of $3,987,635, in the year ending March 31, McIntyre had a net after tax provision of $1,800,363. On the basis of six months' figures this year, this would work out $1,861,068, depending, of course, on depreciation allowance and development write-offs. McIntyre last year earned $2.25 per share. At $20 per share this is 11.25 per cent. Dividends paid were at the rate of $1 per share, yielding five per cent. on the present price.

Figures for the present fiscal year follow:

	Quarter Sept. 30	Total Six Mos.	Same Period 1927
Gross rec. ..	$1,052,893	$2,055,773	$1,875,418
Costs	557,949	1,128,508	1,055,526
Oper. profit	$494,944	$927,265	$819,891
Other rev. .	29,549	53,732	48,466
	$524,493	$ 980,997	$868,358
Taxes	28,445	50,465	38,378
Net bef. de.	$496,048	$930,532	$829,979

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Up-to-the-minute information is contained in our semi-monthly stock and bond reports, which will be mailed free, with a copy of our map of the mines of British Columbia, on request.

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CANADIAN MINE HUNT OF ENGLISH OPERATORS HALTS

Spent Money Lavishly On Options and Testing Properties

PASSED UP MALARTIC

Company Diamond Drilled Quebec Property and Then Let it go

Consolidated Goldfields of South Africa has withdrawn from the Canadian field. It will maintain but one small effort, Ankerite in Porcupine. It spent money rather lavishly in Canada, like some other English operations, but hardly stayed long enough in one place to meet with success.

Some comment on the company's decision is made in the London Economist. It is not flattering to the company and no more so to Canada. The company failed miserably in its hunt for mines and of course the country will be blamed.

Porcupine Goldfields Development and Finance was the company's vehicle for operating in Canada. The Economist says that this company was announced in London five years ago with a flourish of trumpets and a capital of £1,000,000 in £1 shares, whereof 250,000 were offered for public subscription at par. In August, 1925, the capital was scaled down by 12s. per share, and the following year fresh funds were raised by an issue of £100,000 in 8 per cent. five-year notes.

Discussing the company's experience the London paper remarks that altogether the degree of success achieved has not been such as to warrant the continuance of operations, and the shares are a nominal market at 1s. 6d. It may be that the decision of the Gold Fields board to quit Canada has some connection with the company's recent entry into Western Australia. At any rate, the policy of cutting losses is generally a wise one.

Several wonderful mines have been discovered in Canada, but, either by ill luck or bad judgment, British interests have generally managed to miss them.

It is generally felt among mining men that the failure of Porcupine Goldfields Development and Finance was due to an attempt to direct a Canadian exploratory effort from a London office. This is not the only company that tried to do this and failed. Huronian Belts experience with Keeley was the same. Victoria Syndicate was another. Tough Oakes Burnside was a third. The latter confined its efforts to the one property. The other two examined hundreds of properties and turned them down.

Victoria Syndicate turned down the Walsh in Gowganda which Tonopah Mining Co. afterwards proved a mine. Porcupine Goldfields did a great deal of diamond drilling on the Kennedy Sladen property in Quebec and withdrew. It could have spent a small sum on the incorporating of a company and taken down stock for its interest, which would have been considerable. It did not. The Kennedy Sladen property is now Malartic Gold Mines, a big mine in the making. There are other instances where important properties were only partially tested out. Young Davidson in Matachewan was another. The company made a deal which set a new top price for mining prospects something over $3,000,000 for this group and Matachewan Canadian, and proceeded to spend large sums on diamond drilling and development. Then came a big payment and the company was not ready to make it.

In British Columbia the company tackled numerous properties and had some shipping mines. It had also the North Star and Stemwinder near the Sullivan of Consolidated Smelters. These were all dropped. The money which was spent in partially testing out various properties must have been tremendous.

The Ankerite remains. Whether or not it will ever prove a profitable operation, is yet to be seen.

E. SUDBURY DEEP TECHNICAL STAFF

Name Mine Superintendent and Mill Head for Western Operation

The directors of East Sudbury Deep announce the appointment of C. W. Worthington, E.M., as Mine Superintendent, and of Marcus White, Metallurgist, as Mill Superintendent of the La Bellevue Mine. Mr. Worthington is a mining engineer who has had considerable experience in Western mines and recently resigned the membership of the Bunker Hill & Sullivan, Nevada property to accept the position on the new Oregon operation of East Sudbury Deep Mines.

Mr. White is a well-known western metallurgist and has had many years operating experience on western ores. He was in charge of the mill at the Cornucopia Gold Mines for many years during which time approximately $25,000,000 was produced on the Cornucopia property.

The directors also announce the appointment of R. B. McGinnis, M.E., as consulting engineer and western manager. Mr. McGinnis has been eminently successful in bringing several western properties into production, will act with Walter R. Vidler in consulting capacity.

Manitoba Has Chosen an Inspector of Mines

George E. Cole, formerly Inspector of Mines for the district of South Porcupine, has been appointed to the post of Chief Inspector of Mines for Manitoba. The appointment will date from November 1, 1928.

PLAN SHAFT SINKING

Pre-Cambrian holdings in Malartic section of Quebec has just completed its diamond drill campaign and will proceed with further surface work until winter when it is intended to sink a number of test pits and later sink a shaft.

Hollinger and McIntyre Mines Should be Merged for Profit

In the interests of gold mining in Northern Ontario, the moment seems opportune that Hollinger Consolidated Gold Mines and McIntyre Porcupine Mines should consider merging operations.

McIntyre and Hollinger properties, both about the same size, adjoin. Hollinger's north boundary line, better than two miles long, is the south boundary of McIntyre. Both have underground workings up to each other's boundary line.

Hollinger has a mill enlarged to handle 8,000 tons of ore daily. Hollinger is finding it difficult to get ore to operate at more than about 60 per cent. of the capacity of this huge plant.

McIntyre is reaching the point where a decision may be made to erect a costly mill within a mile or so of the huge Hollinger plant. The unused tonnage of the Hollinger capacity would meet with the demands of the McIntyre mine for a higher output.

McIntyre has a shaft down 4,000-ft. toward its north section of the property. Hollinger is completing a 4,000-ft. shaft toward the east end of its property. From these two working shafts it would be possible to develop the eastern section of the combined properties most economically. Connecting the two shafts would also prospect a considerable area of untested ground.

Hosts of arguments could be advanced to favor such a merger. Few can be advanced against it.

The strongest argument is that it would save large sums for both companies. It would bring the combined tonnage of the two properties together and mean a substantial reduction in costs for both.

Hollinger to-day has a market valuation of around $39,000,000 and McIntyre has a market valuation of around $16,000,000. This is the closest they have been together for considerable time. Both companies are Canadian controlled, Hollinger by N. A. Timmins, of Montreal, and McIntyre by J. P. Bickell, Toronto. For this reason there should be no trouble getting together and talking over such a proposition.

Numerous mining engineers have been heard to express pity that the short main producing area of Kirkland Lake should be split up among so many operators when, as one venture, it would have made an ideal mining operation. It is doubtful, however, if the situation is more ideal for a one-mine proposition than that of McIntyre and Hollinger. Only two companies are involved here. In Kirkland Lake there are four. Incidentally Pres. N. A. Timmins, of Hollinger, a few years ago commissioned an engineer to try to bring about a merger of the Kirkland Lake groups which he was willing to finance.

Eagerly Seeking Chance to Share in Tin Property

Manitoba Basin Negotiating with Big Interests for Position in Development of Sensational Mineral Discovery North-East of Winnipeg

Big things are pending in Manitoba Basin. This is partially indicated by the heavy accumulation that has taken place in the shares during the past week and which moved the price up to around 60 cents in the unlisted market.

Last week The Financial Post intimated that big interests were becoming active in the company. One of these groups has already purchased a substantial interest in the company and the other is negotiating for an interest.

The first interest in Manitoba Basin developed when that company secured the Jack Nutt property at Herb Lake. Engineers of several companies tried to make a deal on it but Manitoba Basin, owing to its own aeroplane, was able to best the other scouts in the race and secured the option. Immediately some of the interests who lost in the contest sought an interest.

The latest stir in Manitoba Basin is due to the fact that this company has secured control of the tin discovery made in Manitoba, some distance northeast of Winnipeg. Values run all the way from one to thirty-one per cent. tin oxide.

The discovery was made on an island and it will take considerable time to learn much about the length and width of the vein. Manitoba Basin holds three miles of the break.

Again some of the interests who lost out in the Herb Lake race started to negotiate for an interest in the tin discovery and it is believed that when the air is cleared it will be found that the company, backed by these strong financial interests, will proceed with the development of the property .

Tariff on Zinc Ores Raised by "Smelters"

Large B.C. Operator Passes on to Custom Ore Shippers Benefits from Improved Metallurgical Operations — Means $1 per Ton

From Our Own Correspondent

NELSON, B.C.—Following its custom of sharing with the shippers savings effected by its advances in metallurgy, Consolidated Mining & Smelting Co. of Canada has issued a revised scale of payments for zinc ore and of charges for treatment, effective October 1, based on its increased efficiency in dealing with zinc.

The prices quoted in it work out at a gain to the shipper of about $1 per ton on the average zinc ore shipped, which would be ore running from 45 to 50 per cent. zinc.

It was in 1922 that Consolidated adapted to the purposes of the Slocan zinc ores the process it had worked out for the complex Sullivan ore, and issued its first or "A" zinc schedule and commenced to pay shippers for zinc, which formerly had been penalized. "B" schedule, a revision in favor of the shipper, came out in 1925, and the present revision is "C." Conquest of complex zinc ores of the Kootenay by Consolidated has been of great benefit to the company.

Howey Increasing Its Power Capacity

A new 200-horsepower boiler is being transported to the property of Howey Gold. With the present two 60-horsepower boilers, boiler capacity will be increased to 320 horsepower. Although no announcement has been made, it is believed that the new equipment will be used for sinking a new shaft.

The situation at Howey Gold continues to show improvement. Indications point to an exceptionally large medium grade mine. From a well informed source we learn that the east drift on the 500 foot level particularly has shown a great improvement this year.

At Ear Falls 380 men are employed in constructing the dam for power development. The work is being rushed and it is believed that a dam will be ready in the spring to store the spring freshettes. Ample power should be developed at Ear Falls for the whole district.

Visitors returning from Red Lake all seem impressed with the way Howey has proved up. When it is realized that already this mine has two miles of underground workings, one gets some idea of the large amount of work that has been done at the property. The size of the Howey mill will depend on the way the property continues to shape up, but it is beginning to look as if a 1,000 ton mill will eventually be built.

SHERRITT PUSHES DRILLING IN HUNT FOR ORE LENGTH

Working on Western Extension and Driving Lateral from Two Shafts

BIG ORE ESTIMATE

Winnipeg Paper Says Hundred Million Will be Soon Blocked Out

Diamond drilling on Oak claim of Sherritt-Gordon has given ore widths averaging 10 to 15 ft. and as high as 35 ft. with a grade better than the average on the main Sherritt body.

Oak claim cost considerable stock. It was said at the time that it was acquired to protect the company on the possible strike of the ore. The price at the time was considered by many as being high, but it was apparent that the company knew pretty well its possibilities.

Four diamond drills are working on the Oak probing a stretch of over 1,000 ft. long and following out a program of systematic exploration at regular intervals. Beyond this claim the company has other claims which will give them a further half mile along what is believed to be the strike of the ore zone. On the main body good progress is being made. Two shafts are being sunk about a mile apart. In the east shaft levels have been established on the 125 and 250 ft. horizons and already more than 600 ft. of lateral work has been completed. The west shaft has reached its present objective of 400 ft. and driving has commenced on the 125 and 375 ft. levels.

That the ore resources of Sherritt Gordon may equal those of Noranda and that by the end of the present year over $100,000,000 in ore is expected to be blocked out at Sherritt, is the theme of a rather bullish article on this operation appearing in recently in Winnipeg Free Press. It adds:

Diamond drill work on the Cook claim indicates that a third shaft will be required with a total length of at least three miles to be developed. The main deposits are being developed by two shafts 7,000 feet apart which will cover these deposits to a length of 12,000 feet.

The shaft sinking done so far has indicated around 10,000,000 tons of ore and diamond drill cores have indicated widths up to 50 feet with mineralization running higher than $14 to the ton which was the previous estimate.

It is understood that the work done on the property now indicates a volume of ore equal in value to the average estimated ore in Noranda and the length of the well defined strike permits the development to continue on a very inexpensive basis.

Something like $700,000 has been spent in the initial development of the property and an additional $2,000,000 has been provided to continue the work. The company still has 1,400,000 shares in the treasury to meet expenses in connection with the smelter and other equipment. This will permit ample funds for the company to carry on their full development on a big scale.

To develop $100,000,000 in ore the first year is a feat never known before in the history of any Canadian mine and this feature alone indicates that in Sherritt-Gordon, Manitoba has one of the greatest mines of the world.

EXPECT TO CUT RICH GOLD ORE AT DEEP LEVELS

Kirkland Lake Orders Plant That Will Carry Winze to 5,500 Ft.

Kirkland Lake Gold has ordered a new hoist for its main operating winze and will permit developments to be carried down 5,500-ft. It has now reached the 3,000-ft. level. It is believed that the ordering of the new equipment by the company was the result of the good success being met with in development and the fact that telluride ores have been encountered. This is accepted by many as indicating that even better ore may be expected at greater depth.

An official statement by J. B. Tyrrell, managing director, is as follows:

"The winze or inside shaft has been sunk from the 2,475-ft. level to a total depth of 3,000 feet from the surface, and levels have been opened up from it at 2,600 feet, 2,725 feet, 2,850 feet and 2,975 feet. On each of these levels, to the extent of actual development work done, valuable bodies of ore have been uncovered; and although in no case has any level been explored across the full width of the property, sufficient ore has always been available ahead of the mill requirements.

"It will be remembered, too, that I made mention of telluride ore having for the first time in our operations been uncovered on the 2,725-ft. level and that this was an indication that we had encountered ore similar to that on the mines to the east of us. On the 2,850-ft. level, similar telluride ore has been found to occur for a length of about 200 feet and in places 20 feet wide.

"The crosscut has been driven from the winze to the vein on the 2,975-ft. level. We are now drifting eastward on the vein on this level, and expect before long to encounter the downward continuation of the telluride ore shoot developed on the 2,850-ft. level.

"At the same time we are continuing to sink the winze to greater depths and as the value and extent of ore bodies have been increasing steadily with increase in depth, in accordance with our original deductions, we look forward with confidence to getting not only the downward continuation of the ore which we have been following, and which was necessarily west of the quartz diabase dike, but also the ore which is reported to be so phenomenally rich and abundant on the east side of that dike which, as we go down, will now dip farther and farther westward into the Kirkland Lake Gold Mine, giving us a constantly increasing length of vein to the east of it.

"Though we are continuing our downward exploration, we are more than paying our way as we go, and we are adding to our surplus month by month. Our last year's report showed that we had the lowest costs in the district, and we look forward with confidence to a similar record during the present year."

Malartic Proves Ore Zone's Length at Least 3,000-ft.

Diamond Drill Reported in Toronto as Having Missed Vein Cut 13-ft. of Ore at Depth of 150-ft.

NEW VEIN ON BOTTOM LEVEL

Main Cross Cut on 375-ft. Horizon Has Opened Up 8-ft. Body South of the North Zone — Property Looks Exceedingly Well

By Staff Editor

AMOS.—Malartic Gold Mines has definitely established the continuation of its north vein from the surface outcropping near the shaft to a second outcropping 3,000 feet to the east. An exploratory diamond drill hole sunk at a point midway between the two points, after penetrating 25 feet of overburden hit the greywacke, and at a depth of 150 feet intercepted the vein, the core showing a width of 13 feet. The hole is now down to a depth of 210 feet and will probably be stopped at 300 feet.

When The Financial Post visited the property this week it found J. P. Norrie, Malartic's energetic manager, much pleased with the results obtained from this hole. It was the first sunk in this area, and confirmed the opinion of the Malartic engineers that the two outcrops were on the same strike.

Another interesting development at the Malartic is the cutting of a new vein eight feet wide by the main crosscut some 100 feet south of the north ore zone on the bottom level.

Find New Ore Zone

Just prior to The Financial Post's visit a diamond drill operating from the 375-ft., the bottom level, cut seven feet of ore in a new zone. This was at a depth of 85 feet from the bottom level, or 460 feet from the surface. The hole is the first of a series of exploratory holes to be put down from the 375-ft. level. It is now down 160 feet and in vein material.

The Malartic property consists of 450 acres in Fourniere Township, Abitibi County, Quebec. It has two main ore zones, the "North" and the "South," with a high grade vein occurring in the angle between the two zones. Its ore occurs in a silicified greywacke in the shape of a large inverted "V," the right limb standing vertically and representing the north zone, the other limb representing the south. The south zone dips north about 75 degrees and it is believed will be found to junction with the north zone at a depth of about 1,600 feet.

It is on the North zone that the major part of Malartic's development work has been concentrated to date.

Much Work Done

A three compartment shaft has been sunk to a depth of 375 feet, stations cut, and levels established at depths of 130,250 and 375 feet, and cross-cuts driven through the north zone toward the south zone on each level. The south zone has been reached by the cross-cut on the upper level, and cross-cuts on the two lower levels will also reach it within a short time.

Your representative was afforded an opportunity to inspect the different workings underground and was much impressed by the large amount of development that has been accomplished since the present company began operations last January, and the extent of mineralization this work has disclosed.

Malartic at its present stage shows every indication of writing its name large in Canadian mining history, and has all the ear-marks of developing into a big producer.

A summary of the development work carried out to date follows:

The 130-ft. Level

On the 130-ft., or first level, the cross-cut intersected the north zone 130 feet south-west of the shaft. The zone here has a width of 32 feet. A drift was established in this zone, and some 450 feet of drifting has been carried on both east and west with both faces still in ore. The cross-cut itself was continued through the zone, and at a distance of 300 feet from the shaft cut a second vein whose presence had previously been disclosed by an out-cropping on surface. It has been drifted on for a distance of 200 feet, is high grade, and considered the best showing on the property. A raise has been put up from it to surface, disclosing some promising looking ore. After 300 feet of further cross-cutting the south zone was intercepted 600 feet from the shaft. The cross-cut showing it to have a width of 40 feet at this point.

A horizontal diamond drill hole put in at an angle from the main cross-cut on this level, however, cut the zone about 85 feet to the east, and indicated a widening to 70 feet.

Nine horizontal and an equal number of vertical diamond drill holes have been cut on this level and a similar number from surface. All have shown the continuation of the vein and given satisfactory values.

The 250-ft. Level

On the 250-ft. level the cross-cut intersected the north zone 114 feet from the shaft. It was found to have a width of 33 feet and has been drifted on 250 feet to the east and 160 feet to the west. The values obtained are much the same as those on the first level, a general average of about $6 ore.

The cross-cut is being continued toward the south zone. It is now out 400 feet, and it is believed will reach its objective approximately 450 feet from the shaft.

A diamond drill hole put down from surface struck rich values on this level about 50 feet east of the cross-cut. A four-foot section ran $105, and a 25-foot section, which included the four-foot "pay streak," averaged from $12 to $15.

The 375-ft. Level

On the 375-ft., the bottom level, the main cross-cut which is being driven to the south zone, is now out 350 feet from the shaft and it is expected to reach its objective in a couple of weeks time, 400 or 450 feet from the shaft.

It is on the 375-ft. level that one is most impressed by Malartic's enormous possibilities. The cross-cut ran into the north zone here 105 feet from the shaft. It cut through 78 feet of ore running a little under $8 and then 70 feet averaging $2.50. In the 78 foot section a high grade streak was found, having a width of 18 feet and carrying $16 values.

It will be noted that the north zone on this level shows a total width of 148 feet, an increase of 116 feet over the levels above. A large section of this is not commercial ore, it is true, but the presence of considerable quantities of high grade should provide the sweeteners to permit the milling of the low-grade at a profit.

In driving, the main cross-cut from the north to the south zone a new vein eight feet wide has been struck 100 feet south of the north zone.

Development Program

Malartic's program of development includes the establishing of intermediate drifts between the two main zones, the cutting of drill stations at intervals of 50 feet along the drifts, and the boring of cross section holes at each drill station. Two diamond drills are employed on the property. One is working on surface at the present time engaged in picking up the continuation of the north zone at depth. The other, as stated above, is operating on the bottom level probing for ore below this level. Five rock drills are in operation, three working one shift, and two the other.

An exhaustive examination of the Malartic property both on surface and underground was made by Doctors James and Gill, consulting geologists, during the past summer, and their re-

(Continued on page 24)

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WOODBINE MUDDLE TO BE EXPLAINED TO SHAREHOLDERS

Engineers Failed to Find Rich Ore Which Several Other Engineers Saw

Woodbine Gold mining shareholders will meet Nov. 1 to hear the facts about the engineers' dispute over the situation at their property adjoining Premier Gold Mines and also as to what the directors propose to do.

Directors in calling the meeting have sent shareholders a short statement covering the cost. They summarize the engineers' reports also.

The extracts of reports include those from E. A. Haggen, Vancouver; B. N. Sharp, Spokane; F. J. Crossland, Vancouver; Rene Cellier, Paris, France; B. W. W. McDougall; Malcolm McKenzie, mine superintendent, and T. L. McLean, civil engineer at the mine. All the reports were favorable to the property.

The directors explain the circumstances that lead up to permission being given to officials of the Premier Gold Mining Company making assays of the Woodbine ore, and the company's subsequent letter in which they stated they could not consider entering into any milling arrangement.

The letter from Mr. Pitt, manager of the Premier, say the Woodbine directors in their statement, "was directly contrary to anything which the directors had received up to that time, inasmuch as it stated in plain terms that there was no body of commercial ore in sight. The report suggested, however, that there were indications which would warrant the expense of further exploration work on the property and they recommended an extensive diamond drilling program. In other words, the Premier engineer, while directly contradicting the glowing reports which had been received by the company, did not condemn the property, but on the contrary, considered the geological possibilities sufficient to warrant thoroughly diamond drilling the same."

The directors then explain that Messrs. Stewart and Batten and Associates, consulting engineers, were subsequently engaged by the directors to make a thorough report on the property and to take charge of further operations.

Mr. Batten's report, they add, was received on September 6 and confirmed the report of the Premier engineers. It was published in the press with the conclusions and recommendations. Mr. Batten recommended a diamond-drilling program and the directors, the statement continues, at once acceded to his recommendations and the program is now well under way."

In conclusion, the directors say: "In view of the conflicting reports, your directors have also taken the matter up with the provincial department of mines and asked them to make an investigation. It is hoped that a report or statement from the department of mines will be available at the special general meeting."

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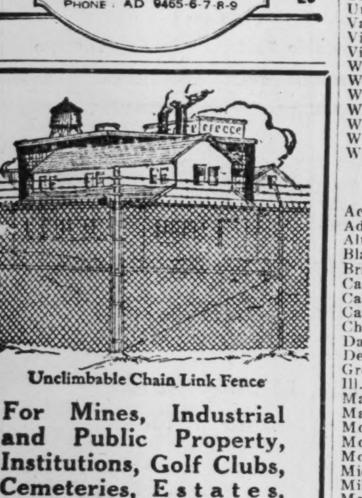
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Mining Stock Quotations

Week Ending Oct. 16

	Par Val	Div. Rate	Yield	High for wk.	Low for wk.	Close Oct. 16	Sales for wk.	Range 1927 High	Range 1927 Low	Range 1928 High	Range 1928 Low
Abana	1	....	....	4.40	4.10	4.10	103435	4.90	.20	4.80	1.75
Aconda	1	....	....	.22	.17½	.21	128700	.45	.14½	.47	.15
Afton	1	....	....	....	....	....	....	1.36	1.00	2.12½	1.25
Albain M.	1	....	....	.25	.25	.25	900	....	....	1.05	.20
Algonquin	1	....	....	.01¼	.01¼	.01¼	7000	.05½	.02	.03	.01
Amity C.	1	....	....	.35	.29	.35	71600	.50	.24½	.55½	.24
Amulet	1	....	....	3.40	2.60	3.35	234043	7.10	.85	5.45	2.50
Apex	1	....	....	.04½	.04	.04	4000	.10	.01	.09	.03
Area	1	....	....	.22	.19	.21	69250	1.98	.23	.48	.14
Argo Con.	1	....	....	.03	.02¼	.02½	72600	.59	.25	.34	.02¼
Arno	1	....	....	.23	.18	.22½	42450	....	....	.39½	.15
Atlas	1	....	....	.02	.01½	.02	14500	.07	.02	.04¼	.01
Ankerite	1	....	....	....	....	....	....	1.25	1.15	1.23	.20
Aladdin	.	....	....	1.26	1.25	1.25	350	....	....	1.26	1.20
Bayview	25c.	....	....	.05¼	.05	.05⅛	67700	....	....	.09¼	.05
Bagamac	1	....	....	.10	.10	.10	1000	.19	.03	.17	.05
Baldwin	1	....	....	.02½	.02	.02	14600	.05½	.01	.03½	.01½
Barry Holl.	1	....	....	.43	.38	.40	142025	1.50	.25	1.50	.34
Bathurst	None	....	....	.18½	.16	.16¼	28250	.35	.30	.35	.16
Beaver	1	....	....	.72	.64	.69	13250	2.75	.59½	2.25	.64
Bedford	1	....	....	.37	.35	.35¼	39750	.52	.19	.54	.32
Bellellen L.	1	....	....	....	....	....	....	.23½	.03	.03½	.01½
Bidgood	1	....	....	.55	.45	.52	96230	1.83	.05	1.60	.45
Big Horn	.	....	....	.15	.15	.15	5000	....	....	.44	.15
Big Missouri	1	....	....	.62	.55	.57	185100	....	....	.90	.40
Boischatel	None	....	....	.02	.01¼	.01¼	23000	.27	.03	.05	.01½
Bower M.	1	....	....	....	....	....	....	....	....	1.25	.75
Buckingham	1	....	....	.09½	.07½	.08	88300	.09½	.03	.10	.04½
Bunker Hill	None	....	....	.12½	.10½	.12½	8100	....	....	.35	.07¼
Cambro	1	....	....	....	....	....	....	.58	.55	.59	.29
Can. Lorraine	1	....	....	.11	.09	.09	4500	.12	.10	.21	.08½
Capitol S.	1	....	....	.10	.09¼	.09½	8000	.34	.14	.18½	.09
Capitol R.	1	....	....	.20	.16¼	.17	280500	.54½	.10	.21⅛	.09
Cartier Mal.	1	....	....	.19	.15	.19	4610	....	....	.30	.15
Castle Tre.	1	....	....	.38	.36	.38	20030	1.27	.61	.81½	.34
Cen. Man.	1	....	....	.85	.80	.84	24125	2.30	1.07	1.95	.80
Chaput H.	1	....	....	.09	.08½	.08¼	26450	.20	.04½	.18	.07¼
Clericy	None	....	....	.22	.17	.17	20900	.31½	.31	.36	.07
Clifton	1	....	....	....	....	....	....	.03½	.00½	.02	.00½
Coast Copper	5	....	....	41.00	38.00	39.00	1475	43.25	9.75	60.00	28.00
Col. Kirk	1	....	....	.02½	.02	.02¼	19500	.16	.01½	.09½	.02
Cons. Copper	.	....	....	....	....	....	....	....	....	.14½	.10
Coniagas	5	....	....	3.00	2.75	2.75	1300	5.05	3.20	5.50	2.50
Coniaurum	5	....	....	2.00	1.75	1.75	2590	5.78	2.80	5.50	1.75
Cons. Smelter	25	10+40	4.66	268	260	268	1279	274½	215	289½	239
Copper Hill	1	....	....	....	....	....	....	.68	.36	.46	.44
Cork. Prov.	25c.	....	....	.29	.26½	.28½	58500	....	....	.47	.25
Corona	1	....	....	.04	.03	.04	27000	.37	.10	.16	.03
Crown Res.	1	....	....	.51	.41	.50	45583	.80	.39	.70	.34
Davidson	1	....	....	....	....	....	....	.08	.01	.03	.00½
Dunkin	1	....	....	.29	.22	.22	10600	....	....	.55	.22
Destor	1	....	....	....	....	....	....	.43	.20	.28	.20
Dome Mines	None	$1	12.26	8.15	7.75	8.15	4315	14.60	6.85	13.35	7.65
Dom. Kirk.	1	....	....	.01¼	.01	.01½	10500	.12½	.01½	.06½	.01
Don. Rouyn	1	....	....	.18	.12	.17	34325	.56½	.17½	.30	.10
Dubec	1	....	....	....	....	....	....	1.48	.35	.72	.40
Duprat	1	....	....	.05½	.03½	.05	44550	.21	.19¼	.12½	.03
Dupuy	1	....	....	....	....	....	....	.79½	.09	.10¼	.10
Dunwell	1	....	....	....	....	....	....	....	....	.35	.20
Duthie	1	....	....	....	....	....	....	....	....	1.40	1.00
Everett	1	....	....	.01½	.01½	.01½	1000	.05½	.01¼	.03	.01
Federal Kirk	1	....	....	.14	.12	.14	7250	.78	.40	.77	.12
Fiske	1	....	....	....	....	....	....	.30½	.05	.10	.03
George Cop.	1	....	....	6.35	5.25	5.30	2100	....	....	6.75	2.50
Golconda	1	....	....	.80	.76	.77	20450	....	....	1.13	.69
Goldale	1	....	....	.21	.17½	.18	26400	.57½	.20	.44	.17½
Gold Hill	1	....	....	.09	.08	.08	52000	.54	.22	.38½	.07
Gold Reef	1	....	....	.01¼	.01½	.01¼	4000	.02½	.01½	.03	.01
Goodfish	1	....	....	.42	.35	.35	81750	....	....	.78	.34½
Graham	1	....	....	.33¼	.28	.30	130450	....	....	.45	.18
Grandview	50c.	....	....	.69½	.61¼	.61¼	159000	....	....	.87	.30
Granada	1	....	....	.28	.21	.24	83600	.41	.14½	.35½	.17
Grover Daley	1	....	....	.07	.06	.06½	30800	.37	.08	.15	.06
Harker	1	....	....	....	....	....	....	....	....	.43	.41
Harvie Exp.	None	....	....	....	....	....	....	2.40	.50	.85	.01
Hecla	1	....	....	....	....	....	....	....	....	1.30	.95
Hillcrest, c.	100	6	9.23	....	....	....	....	65.00	50.00	68.00	65.00
Hillcrest, p.	100	7	8.04	87.00	87.00	87.00	5	90.00	81.00	90.00	85.00
Hilltop	1	....	....	.09	.08	.08	5500	.25	.06	.23½	.07
Hollinger	5	13	8.44	8.00	7.40	7.70	20310	22.65	16.40	18.10	7.00
Howey Gold	1	....	....	1.02	.85	1.02	158175	1.78	.42	1.91	.61
Hudson	None	....	....	18.50	18.00	18.25	12579	....	....	23.25	16.40
Indian	1	....	....	....	....	....	....	.12	.04	.15	.04½
Int. Nickel	25	$3	2.02	150.00	138.00	148.25	111367	90.25	38.00	150.00	73.75
Jackson M.	1	....	....	.88	.80	.86½	142770	.86	.36	1.02	.65
Keeley	1	....	....	.44½	.43	.44	7092	1.66	.69	.85	.37½
Keora M.	1	....	....	.01	.01	.01	950	.13½	.02	.05	.01
Kirk. Hunt.	1	....	....	.04½	.03	.04	44350	.35½	.10	.26	.03
Kirk. Lake	1	....	....	1.31	1.15	1.21	49125	3.06	.82	2.75	1.15
Kirk. Prem.	1	....	....	.20	.20	.20	1000	....	....	.40	.10
Koot. Flor.	20c.	....	....	.21½	.17	.20	114307	.31	.21	.47	.15
Koot. King	.	....	....	.67	.50	.50	171400	....	....	.67	.50
La Rose	1	....	....	....	....	....	....	.12	.03	.08⅛	.03
Lake Shore	1	80c.	4.00	20.25	18.00	20.00	20190	28.20	15.40	27.20	18.00
Lebel Ore	1	....	....	.18½	.17	.18	7100	.66	.30	.59	.16½
Laval	1	....	....	.12	.09¼	.11	134650	.59	.19½	.38	.08⅛
Lorrain C.	1	....	....	.01	.01	.01	2500	.03¼	.01	.03	.00½
Lorrain T.L.	1	....	....	....	....	....	....	.86	.52	.70	.30
Lucky Jim	10c.	....	....	.25	.23	.25	26400	....	....	.44	.23
Malrobic	.	....	....	.36	.84½	.34½	800	....	....	.37½	.34½
McLeod R.	1	....	....	....	....	....	....	....	....	.35½	.34½
Mandy	1	....	....	1.65	1.50	1.65	55164	....	....	8.50	1.49
Macassa	1	....	....	.22	.17	.17	55100	.69	.18	.55½	.17
Malartic	1	....	....	1.51	1.00	1.10	1134480	.78	.23	1.85	.70
Marriott	1	....	....	.06	.05	.05	3500	.45	.35	.46	.04
McDougall	1	....	....	.38	.31	.35	62700	.90	.24	.74¼	.31
McKinley	1	....	....	.16	.15	.15½	9700	.25½	.11	.21	.15
McIntyre	5	20	5.00	20.25	19.00	20.00	8950	29.00	24.00	29.00	19.00
Mentor	10	....	....	....	....	....	....	14.00	12.00	13.00	12.50
Millcrest	1	....	....	.03	.02½	.02¼	12000	.15	.02	.12	.02
Mining Corp.	5	....	....	3.20	3.00	3.07	10900	5.05	2.90	5.50	2.95
Moneta	1	....	....	....	....	....	....	.15½	.08¼	.12	.07
Montreal R.	1	....	....	....	....	....	....	.35	.10	.16	.04¼
Mint Ore	1	....	....	.28	.25½	.27	5500	....	....	.44	.25
Mond Nickel	£1	....	....	34.50	32.75	34.50	75550	....	....	46.50	20.00
Mcss	1	....	....	.95	.73	.90	21600	....	....	.95	.25
Murphy	1	....	....	.60	.55	.59	38150	....	....	.61	.28
Moffatt Hall	1	....	....	.18	.13	.14	35250	....	....	.35½	.13
Morton Woolsey		....	....	.08⅜	.07¼	.08½	386000	....	....	.09	.07
Nat. Silver	50c.	....	....	....	....	....	....	....	....	.20½	.17½
Newbec	1	....	....	.50	.33	.40½	890860	1.20	.62½	.69	.28
Night Hawk	1	....	....	.06½	.05	.06½	15100	.10½	.04½	.10	.05
Nipissing	5	6	10.53	2.90	2.65	2.85	4900	10.30	5.25	6.20	2.50
Noranda	None	....	....	48.50	45.40	46.60	83876	25.80	19.95	64.50	17.00
Notre Dame	1	....	....	.74½	.70	.70	10900	....	....	.82	.50
Ophir	1	....	....	....	....	....	....	.04⅜	.00¼	.03	.01
Osisko	.	....	....	.57	.51	.52	11800	....	....	.75	.35
Picard	1	....	....	.01½	.01	.01⅛	28500	....	....	.77	.01
Pawnee Kirk	1	....	....	.10	.08	.09½	141350	.78	.64	.80	.08
Pend Ore	1	....	....	13.00	11.40	11.75	14525	....	....	25.50	8.00
Pend. pref.	.	....	....	....	....	....	....	....	....	1.40	.60
P. L. Cobalt	1	....	....	.26	.23	.23¼	30800	.18	.02	.30	.06
Porc. Crown	1	....	....	.02	.02	.02	1000	.11	.03	.08	.02
Pioneer	1	....	....	.39½	.30	.32	55300	1.18	.45	.68	.30
Potter Doal	None	....	....	.04½	.03	.03½	96300	.65	.10½	.22	.02½
Premier Gold	1	24	10.52	2.30	2.25	2.27	9430	2.50	1.86	3.50	2.15
Preston	1	....	....	.02½	.02½	.02½	7500	.07	.03	.05	.02
Porter Idaho	50c.	....	....	.70	.63½	.64	9650	....	....	.88	.48
Ridgedome	1	....	....	....	....	....	....	....	....	1.25	1.03
Ribago	1	....	....	.07	.04	.04½	25600	.87	.13	.25	.04
Rouyn G.	1	....	....	....	....	....	....	.04½	.02½	.03½	.01½
Rouyn, Que.	1	....	....	....	....	....	....	.04	.01⅛	.02	.01½
Rubec	1	....	....	.15	.12	.13	1600	3.65	.80	.80	.04
Realty & M.	None	....	....	....	....	....	....	.38	.15	.54¼	.08
R. Montbray	.	....	....	.10	.09	.09	2900	....	....	.32	.09
Ruth Hope	1	....	....	.65	.61	.61½	22700	....	....	.71	.44
Rouyn Kenn.	1	....	....	....	....	....	....	....	....	1.10	1.10
Rufus Argenta	1	....	....	.36	.30	.30½	208200	....	....	.37	.14
Simard	.	....	....	....	....	....	....	....	....	11.50	8.00
Silversmith	20c.	....	....	....	....	....	....	....	....	.23	.12
Slocan King	20c.	....	....	....	....	....	....	....	....	.11	.08
Selkirk	.	....	....	....	....	....	....	....	....	.03	.02⅞
San Antonio	None	....	....	.28	.20½	.21	97200	.57	.30	.57½	.20½
Siscoe	1	....	....	.80	.64	.66	248950	.60	.12	.90½	.15
South Keora	1	....	....	....	....	....	....	.64½	.04½	.17¼	.03½
Stadacona	None	....	....	.12½	.11	.11¼	59600	.55	.13	.21½	.09
St. Anthony	1	....	....	.74	.65	.70	50700	.50	.16	.75	.32
Sudbury M.	1	....	....	.02¼	.02¼	.02¼	1000	....	....	.33½	.02½
Sylvanite	1	....	....	2.60	2.45	2.45	3500	4.80	2.60	3.90	2.00
Sherritt G.	1	....	....	6.25	6.00	6.15	69414	....	....	8.40	5.45
Sud. Basin	None	....	....	6.05	5.15	5.35	84265	....	....	12.00	5.15
Sud. Contact	1	....	....	.18	.11	.11	16900	....	....	.50	.11
Sunloch	1	....	....	....	....	....	....	....	....	6.50	2.00
Snowflake	50	....	....	.95	.90	.91	69400	....	....	1.35	.84½
Tashota	.	....	....	....	....	....	....	....	....	.37	.32
Thom. Cad'c	1	....	....	.50	.38	.38	49900	....	....	1.05	.38
Topley	50c.	....	....	.57	.53½	.54	30900	....	....	.65	.53½
Teck Hughes	1	60c.	7.05	8.85	8.05	8.50	92723	12.00	5.37	11.60	7.55
Telluride	1	....	....	.24	.24	.24	500	.38	.35	.58	.20
Tough Oakes	1	....	....	.24	.17	.17¼	570675	.82	.25	.79	.16
Towagmac	1	....	....	3.70	2.87	3.40	28126	5.75	2.85	4.75	2.25
Timiskaming	1	....	....	....	....	....	....	.12	.04	.10¼	.05
Treadwell Y.	1	....	....	11.25	9.75	9.75	5516	26.75	18.50	32.00	9.75
Thom. Krist	1	....	....	....	....	....	....	.02	.00½	.01½	.01
United Kirk	1	....	....	....	....	....	....	....	....	.20	.10
Vaughan	1	....	....	....	....	....	....	....	....	1.70	1.15
Vickers	1	....	....	.85	.85	.85	200	1.52	.25	1.25	.60
Vipond	1	....	....	.57	.50	.55	45960	1.74	.47	.99	.42
Wakenda	1	....	....	....	....	....	....	.16	.01	.15½	.06
West D. Lake	1	....	....	.11	.09¼	.09¼	56000	.20	.08	.17½	.08
Wiltsey C.	1	....	....	.32	.24	.32	4000	.74	.50	.56	.24
Wright Har.	None	10c.	3.92	2.75	2.30	2.55	128275	8.45	5.50	6.80	2.30
Windfall R.	None	....	....	.05	.03	.03¼	68000	.31	.19¼	.25	.03
Whitewater	1	....	....	1.80	1.60	1.65	5400	....	....	2.85	1.45
Woodbine	None	....	....	.16½	.13	.13½	76900	....	....	.46	.11

CALGARY OIL STOCK

	Par Val	Div. Rate	Yield	High for wk.	Low for wk.	Close Oct. 16	Sales for wk.	Range 1927 High	Range 1927 Low	Range 1928 High	Range 1928 Low
Acme	.									.30	.17
Advance	1			.50	.49	.49	1385			.95	.25
Alta. Pac.	1			.53	.50	.50	7280			.81	.30
Black Dia.	.									.35	.12
Brit. Dom.	1			.43	.43	.43	2925			.75	.25
Calmont Es.	.									1.00	.72½
Calmont	1									2.10	.70
Cal. Pet. P.	.			5.41	5.41	5.41	8			5.50	4.25
Cherokee	.									.07	.06
Dalhousie	None			1.75	1.55	1.65	8228			4.25	1.55
Devenish	None			.51	.37	.39	8507			.75	.27
Great West	1									.34	.10
Ill. Alta.	1			.55	.52	.52	4715			.77½	.45
Madison	.			.07	.07	.07	200			.20	.07
Mayland	.			1.69	1.35	1.60	6815			1.75	1.06
McD.S.Ex.	1			1.90	1.85	1.90	375			3.00	1.40
McD.S.(new)	1			1.30	1.17½	1.17½	1260			1.80	1.00
McLeod	1			3.90	3.52½	3.52½	2265			7.10	2.97
Mid West	1			.25	.25	.25				.60	.25
Mill City	1									.55	.27
Moose M'tn	1									.30	.25
Okalta, c.	None									47.00	20.00
Okalta, p.	100									100.00	70.00
Ranchmen's	1									.80	.35
Regent	.			.35	.35	.35	200			.35	.30
Royalite	None			66.00	65.00	66.00	287			84.00	45.00
Signal Hill	1			.08	.07	.07½	2250			.30	.07
Spooner	1			1.25	1.10	1.10	3043			3.10	1.10
Stockmen	1									.60	.32
Turner Valley	1									.70	.30
United	1			1.60	1.50	1.50	2559			2.65	1.19
Vulcan	1			1.65	1.50	1.50	3555			3.00	1.50
Dallas	.									.30	.10
N.W. Pacific	.									.09	.09

Three Herb Lake Groups Optioned by Jack Nutt

A Montreal group associated with Jack Nutt, prospector, Saskatoon, has made a deal with three groups in Saskatoon to option their properties to a new company to be organized. The companies involved are Wekusko, Lucky Jack Mines and Broadbay. These are all Herb Lake properties and not far removed from the rich strike which Nutt made in this section and which was later optioned to Manitoba Basin. The new company will be capitalized at 5,000,000 no par shares and operations for the time being will be financed privately by the Montreal group.

McINTYRE EXPLORATION FROM 3,000 TO 4,000-FT. WILL TELL MILL STORY

(Continued from page 21)

a substantial tonnage of ore that ran $10 or better. On a small daily milling tonnage this could be treated profitably, but it meant that the eyes would be picked out of the venture, and the great bulk of the gold bearing rock, the low grade would fall under commercial value, because it would be unprofitable to handle it. It would remain in the mine.

Someone Blundered

Because of this condition, Hollinger followed what is regarded as sound practice and proceeded to step up the tonnage with the idea of lowering costs by mass production. This would add greatly to the life and wealth of the property as the lower costs fell, the lower the grade of ore that could be treated and the greater the tonnage that could be extracted.

But, someone made a mistake. It may be that the ore at a depth beyond that reached when the big tonnage decision was made, proved to be more refractory—more complex, thus requiring longer treatment in the tanks. Whatever it was, Hollinger couldn't get its tonnage up to the expected level, and has not yet.

With this understanding of Hollinger, it is more easy to understand why McIntyre is still marking time so far as increased production is concerned.

Has But 10 Veins

The McIntyre's report for the year ending March 31, 1928, estimates ore reserves at $15,376,165 made up of 1,841,215 tons of $8.35 per ton. This was an increase from $14,130,220 in 1927. McIntyre lists its ore reserves by claims and not by veins, but Gen. Mgr. Enis in his report reviews the activities on each vein and his 1927-8 details cover ten veins, evidently all the mine has, and certainly all that were worked on during the year.

Having in mind the values in Hollinger veins, and that 3,000,000 of the 7,400,000 tons in reserve are valued at $15,503,804, average only $5.24 per ton, it is interesting to note that the lowest grade mentioned by Mr. Enis in McIntyre's report when values are given is $6.80 and the next lowest $7.30.

McIntyre Grade Better

In other words, Hollinger has opened up a mine of innumerable veins, some high grade, but the great bulk low grade. McIntyre has opened up a dozen or so good veins, carrying good shoots of very profitable ore. Reading through the report on various veins, however, one encounters such remarks as "exploration work indicates the existance of a considerable tonnage of low grade ore in this area," as in dealing of No. 5 vein.

No Decision Yet

The conclusion from this study is that, when Mgr. Enis remarked that they might have a 3,000 or 4,000 ton proposition, he had in mind that McIntyre on being opened up at depth, might develop like Hollinger, into a big tonnage low grade proposition. If so he wanted to find it out quickly and the only way to do so was to go to depth. The upper 2,000 ft. of the mine evidently did not justify any such decision. The new shaft was sunk to below 4,000 ft. and the opening of deep levels has been proceeding now for well over a year.

Deep Development

McIntyre's deepest level has been cut at 3,875-ft. and considerable lateral work has been done on this horizon. It is also proposed to crosscut clean across the property and then perhaps drive out diamond drill holes on drifts to test out the ground on each side of the long crosscut. While levels are being established at 125-ft. intervals, it is understood that the McIntyre is concentrating work on horizons 375-ft. apart and it may be that the crosscut on the 3,875-ft. level will be repeated on each third level upwards for 1,000 feet.

This work has only well started. It is practically all dead work. It intersects ore, as it is designed to do, but it does not put ore in the position where it could be added to the $15,000,000 of reserves shown in the annual report. It is only when the mine gets to the position where ore will be indicated that the management will be able to size up the mill possibilities of the venture. Another year may mean a lot in this regard.

The whole future of the operation rests with the present exploration. McIntyre knows its mine pretty well down to 3,000 feet and has not felt justified in going ahead with mill expansion. Decision to expand means heavy expense to McIntyre as it will entail a new site and new plant entirely. The present mill cannot be enlarged.

Must Double Reserves

It was felt by many that McIntyre would have had some statement on the possibilities of a new mill this year. Instead of that Pres. J. P. Bickell practically told shareholders that ore reserves would have to be much more than doubled before the company would feel justified in making such plans.

The only evidence that McIntyre is on its way to finding this necessary ore is the fact that No. 13 vein has been opened out for 400-ft. on the 3,875-ft. level where it shows an ore body 8-ft. wide running $10.50 per ton. The same vein was broken into on two other levels, 3,250 and 3,500-ft. If this section of the mine warrants a decision to build a mill, it will undoubtedly be gone on with. If not, it is doubtful if the company will take into consideration possibilities below the 4,000-ft. horizon, though the speculative possibilities below that level would seem good.

Not a Certainty

The conclusion for the time being would seem to be that there is a speculative chance that McIntyre will go ahead with mill expansion in 1929. This is by no means certain. It may work out that the company will decide to continue to plug along as it has been with its old mill, making inexpensive changes and introducing economies to get costs down. There seems one fact to bear in mind, if ore reserves come up to the point where mill expansion will be justified, the same thing will take place automatically at McIntyre as did at Hollinger, gold bearing rock which has not been considered as ore will immediately become probable ore, depending on the reduction which the increased mill will make in costs.

Mining Property For Sale
Tenders Wanted
Harvie Mining Company Limited in Liquidation

Tenders are hereby invited for the purchase en bloc of all the assets in Clericy and Dufresnoy Townships in the Province of Quebec of the Harvie Mining Company Limited In Liquidation. These assets consist of rights in mining claims partly developed (three shafts being sunk), machinery, equipment, supplies, camp buildings, etc.

The mining claims in question bear the following numbers:—

A-4006 to 4010 inclusive
4283 to 4284 "
4285 to 4287 "
10675 to 10679 "
5239 & 5244 "
11723
13657 to 13658 "
15060 to 15063 "
16459 to 16468 "
2503 to 2517 "
2994 to 3000 "

An Inventory of Plant, Equipment and Supplies may be seen in the office of the Liquidator, and it is understood that all overages and/or shortages shall be for the benefit or loss of the purchaser.

Tenders to be received not later than November 20th, 1928, in sealed, registered envelopes addressed to the Liquidator. An accepted cheque for ten per cent. of bid must accompany tenders, the balance to be paid in cash within fifteen days of adjudication. Deposit cheques of unsuccessful tenders will be returned forthwith upon refusal of their respective tenders and the deposit of the successful tender will be forfeited as liquidated damages should he fail to pay in cash the balance of his tender within fifteen days of adjudication to him.

The highest or any tender shall not necessarily be accepted.

J. B. RUTHERFORD C.A., Liquidator
HARVIE MINING COMPANY LIMITED
In Liquidation
437 St. James Street West, MONTREAL

Our sixteen offices, nine of which are located at strategic points in relation to the important mining areas, are bound by our Private Wire System into a compact, coherent unit, functioning with the efficiency of 23 years of experience, through organization and trained men.

May we have the privilege of serving you?

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We own and offer

50,000
EAST CREST OIL COMPANY LTD.
Common No Par Value Shares
Price: $2.50

The following is a summary of this Company's present position as given to us by Mr. Harvey S. Price, Managing-Director of the Company.

COMPANY: East Crest Oil Company, Limited, is incorporated under the laws of the Dominion of Canada with an authorized capital of 750,000 no par value common shares. The Company is now fully organized and drilling for oil on acreage in the Turner Valley, where it holds the oil and surface rights. The Head Office of the Company is at 212 Seventh Avenue West, Calgary, Alberta.

DIRECTORATE:

President, W. S. HENDERSON, Calgary, Alberta, President, Riverside Iron Works; President, Jewel Coal Mines, Limited; Managing-Director, Western Gem Coal Company, Limited.

Vice-President, F. R. WEBSTER, Calgary, Alberta, President, F. R. Webster & Company; President, Scottish Finance Corporation, Limited.

Managing-Director, HARVEY S. PRICE, Calgary, Alberta.

Barrister and Solicitor, H. F. STAPLES, Calgary, Alberta.

BYRON HARMON, Merchant, Banff, Alberta.

W. K. COLBECK, M.D., F.A.C.S., Chairman of the Board of Welland Financial Corporation, Limited, Welland, Ontario.

A. A. HESS, Oil Operator, Proucher, Alberta.

Treasurer, C. MacDONNELL, of Bennett, Hannah & Sanford, Calgary, Alberta.

Secretary and Transfer Agent, FIDELITY TRUSTS COMPANY OF ONTARIO, Niagara Falls, Canada.

LEASES: East Crest Oil Company, Limited, has purchased and paid for the oil and surface rights on forty acres comprising the south half of Legal Sub-divisions Five (5) and Six (6), Section Sixteen (16), Township Nineteen (19), Range Two (2), West of the Fifth Meridian in the Province of Alberta, and it has lately secured an option to purchase the oil and surface rights on the adjoining eighty (80) acres which comprises Legal Sub-divisions Three (3) and Four (4), Section Sixteen (16), Township Nineteen (19), Range Two (2), West of the Fifth Meridian in the Province of Alberta.

It is the judgment of geologists who have made a survey of the oil-containing formation in the Turner Valley that all of these one hundred and twenty (120) acres lie directly on formation, and that the property is bisected by the Crest, permitting drilling on both the Eastfold and the Westfold of the Crest. The ownership and control of this strategically-located acreage places East Crest Oil Company, Limited, in the position of ranking among the most important, if not the most important, independent oil company now operating in the Turner Valley.

PRESENT DRILLING OPERATIONS: East Crest Number One, drilling directly on what is believed to be the Eastfold of the Crest, is now down 2,650 feet. It reached the Dakota formation at approximately 1,800 feet, and established the contact between the Dakotas and the Kootenays at 2,390 feet. At a depth of 2,175 feet a gas pressure of approximately 1,000,000 feet was encountered, and this has increased as drilling has progressed.

At 1,360 feet drilling was temporarily suspended to permit the running of 15½ inch casing. Drilling is again temporarily suspended at the present depth of 2,650 feet to permit the running of 12½ inch casing.

PRESENT PROSPECTS: Definite markers, appearing in the rock testings taken every ten feet and coming in much more rapid sequence than anticipated, indicate a shallow hole and the prospect of a large producing well. On geologists' advice preparations are being made now to enter the Lime with 10-inch casing.

If these expectations are fulfilled, East Crest Number One, as the first well to penetrate the Lime Sandstone with a larger than 8-inch casing, may shortly establish itself as the record well of the Turner Valley.

THE TURNER VALLEY.

Mr. Fred B. Housser's account of the Turner Valley should be carefully read by all who are interested in the welfare of Canada. It is already recognized as a phenomenal field. Most people who have paid any attention to Turner Valley at all from a distance and who are not concerned with technical issues, regard it as a "crude oil" field. Mr. Housser admits that he had so regarded it, but first-hand inspection brought home to him the fact that it is not as crude oil field, but as naptha or gasoline field, that it must be regarded. The wells that we are now yielding about forty thousand barrels a month are giving up gasoline so pure and of such high grade that it has to be diluted before it can be used in a motor car. It is worth five times as much a barrel as ordinary crude oil.—Editorial from the "Hamilton Herald," October 8th, 1928.

WE RECOMMEND East Crest shares at their present price as a speculative investment offering possibilities of large return within a comparatively short period

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Domestic and Export Demand Greater Than U.S. Controlled Output

Growth in foreign and domestic demand and a more efficiently organized industry, is explanation offered by The Index published by New York Trust Co. for the continued improvement of the copper situation.

Today copper stocks in U.S., which country dominates the situation with a 50 per cent. production of the world's supply, is less than a two weeks' demand.

Better adjustment of production to demand and a greater stability of prices are the results of better organization within the industry. World production has worked up steadily but consumption has kept pace. In production Canada has done well, moving up from 47,985 metric tons in 1916 to 64,137 tons last year, but is expected to move up more rapidly from now on with so many good copper properties coming to the front. In 1916 Canada ranked fifth as a copper producer to U.S., Chile, Japan and Mexico. Today it ranks fourth, Africa having ousted Japan from third place and Canada, Mexico from fourth.

While U.S. produces about 50 per cent. of the world's copper output, its companies own 80 per cent. and the production from outside is shipped to U. S. for refining so that the U. S. today refines and markets 80 per cent. of the total output of the world. Total production for seven months of U. S. controlled producers was 811,905 tons, while exports totalled 371,028 tons and domestic demand 477,561 tons or 848,589 and this has cut severely into stocks on hand. In July, 1927 stocks on hand totalled 94,726 tons and July, 1928, 31,594 tons.

OPTION RED LAKE PROPERTY

Burntwood Bay group, adjoining Howey Gold Mines, Red Lake, on the north, is reported to have been taken up by a Toronto group.

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Monarch Royalties

Have you any data on Monarch Royalties?

Monarch Royalties is a United States operation and we find it difficult to give advice on Companies across the line. There seems to be a flood of these royalty concerns coming out of late.

Noranda-Siscoe

I hold 10 Noranda and 200 Siscoe. How do you regard them?

Noranda and Sisco are two Quebec operations. The former has one of the richest copper deposits on the Continent and is now producing. Much higher prices are being predicted for the stock. Sisco is a rich gold operation that is now building a mill. The shares have speculative possibilities.

McGowan Gold

Thirty years ago shares in McGowan Gold Mines were acquired. Press reports recently stated that property was acquired by an American concern. Have you any information about it?

Sorry, but we are unable to find anyohe who knows anything of the Parry Sound operation or the position of old shareholders. Perhaps if you wrote the Town Treasurer or Clerk, he could dig up some information.

Teck-Abana-Amulet

I hold Teck Hughes, Abana, Amulet. What chance of appreciation have they during the next few months?

Teck Hughes, Abana and Amulet seem to offer good chances for speculative profits, about in the order named. Amulet is perhaps the more speculative, but there is a feeling abroad that the recent estimate of ore reserves was ultra-conservative. Much will depend on an easing of the present money situation.

Towagmac

I hold Towagmac costing $5 and considering the slow way it is going was wondering if I should sell?

Towagamac owns about 30% of Aldermac Mines controlled by Noranda and in addition controls Lake Geneva copper and has some other prospects. Company is in good hands. They are quite conservative and market will be governed by actual mining operations, outlook for which is good. Shares are regarded as having good possibilities for a hold of a year or two.

Callinan

What is financial position of Callinan Flin Flon? Recommended to me as a speculation with possibilities. A report from The Pas area is that something will be heard of this property in the near future.

Callinan Flin Flon shares possess good speculative possibilities. Company is well financed and operating two properties in Northern Manitoba and is believed to have an excellent chance of cutting into the extension of the Flin Flon ore body. Mr. Callinan intimated to the writer recently that there might be something doing in the stock shortly.

Six Leading Mines

Should be pleased if you would name 4 or 5 best mine speculations in growing class. Either advanced prospecting or development stage. I would put about 5 per cent. of my funds in and wait 1 to 3 years.

Brokers are advocating several issues as attractive long holds. Sherritt-Gordon Sudbury Basin, Hudson Bay seem to dominate their selections. All three are in good hands. International Nickel and Mond Nickel producers and dividend payers, and Noranda a producer, also are being advocated for substantial profits to the more conservative buyers.

Good for Hold

What caused Newbec to rise? What about Sherritt-Gordon, International Petroleum, Wright-Hargreaves?

Newbec is reported to have encountered some good copper values, and this is responsible for the move up in the market.

Sherritt-Gordon and International Petroleums are well regarded as offering good chances for appreciation if purchased for a hold.

Wright Hargreaves' position is difficult to work out at the moment There were rumors that the dividend might be dropped, but when the usual declaration was made the shares strengthened.

Wright-Hargreaves

What happened to Wright-Hargreaves? I hold several hundred shares and was wondering if I should sell.

There are two stocks on which it is quite difficult at the moment to formulate an opinion, and these are Hollinger around $7.00 and Wright-Hargreaves around $2.70. Hollinger is down from above $22.00 and Wright-Hargreaves from $8.45. It is difficult to appreciate how two such good ventures could go to pieces in a year's time. Both have good possibilities yet and the problem of the moment is to decide when the stocks are selling below their intrinsic value. Latest advices from Wright-Hargreaves are that some very good ore was encountered on the 2,000 foot level. Rumors doubtless played a part in the latest fall, gossip being that cash was nearly exhausted and that the dividends would be stopped altogether. The latter has proved incorrect.

Old Colony

I have been approached to buy Old Colony at 50 cents. Can you give me any information?

Old Colony Mines is operating two properties, one in Arizona which has substantial ore reserves and should soon be producing and the other adjoining Buchan's Mine in Newfoundland. The latter is considered to have a great deal of merit. The Company is well sponsored.

Do you consider Old Colony as the most outstanding and attractive mining investment available on the Canadian market, as I have been told it is?

We wouldn't say "Yes" and we wouldn't say "No." Much depends on the viewpoint and the study and analysis of other operations. Old Colony looks good. It has an Arizona property with large possibilities and $16,000,000 in ore already indicated which is much more than the money put into it, and the issued capital. In addition it has a large block of ground adjoining Buchan's Mine in Newfoundland which offers an excellent chance of opening up on bodies similar to Buchan's. These are large and very rich. Any day may see them open one of those big lenses of ore, while work in Arizona promises to put additional ore in sight fast. Of course there are other ventures. Say, Sherritt Gordon, as an example. That might appeal more strongly, but there is the price consideration. Sherritt is $6.50 and Old Colony has been marketed around 50c. It is easier for a 50c. stock to double than a $6.00 one, especially when there is a substantial intrinsic value behind the shares. We believe that the statement you quote likely had as its basis the present price of the shares.

Abana

What is your opinion of Abana as a speculative buy?

What is your frank opinion of Abana? I am about to purchase 6,000 shares. Will it drop from its present day market? Rumor says it will sell for $10 or better.

Abana has had quite a rise of late and the action of the market would suggest that a Pool operation is under way. Quite optimistic reports as to what the shares are going to do are heard on the street, but it is anyone's guess.

The Company is planning to get into production by the end of the year. Estimates of ore reserves run as high as $30,000,000, while some engineers suggest that this might be reduced considerably. The ore is copper-zinc with a low precious metal content.

Engineers of American Metal are said to be on the property with a view to making an examination. If this or any other company is to secure a substantial interest they would need to make a deal with private holders as the Company has only 233,000 shares in its treasury. There is one large block that might be acquired, but the price asked is substantially above the present market.

As to what the shares will do, that is anyone's guess, except perhaps for those who are on the inside of the present buying. Their ability to put the price up—and the market action says they want it up—would depend on the cash resources at their disposal.

As regards the property, estimates have been made of ore reserve running as high as $30,000,000 down to the 300 ft. level. Many engineers are prone to question such figures, and for this reason it would be decidedly interesting to know what American Metal Engineers estimate.

While Abana ore estimates show a high copper content, the fact is not to be overlooked that a good section of the ore is zinc which is a limited asset. The description of the ore bodies or zones, as described by the Company presents a rather complex ore problem, helps costs and will allow for two clean concentrates zinc and copper, and our understanding is that the precious metals are in the copper which will allow for practically a full recovery.

There are just one or two little doubts about the operation that the writer would want cleared up before putting $25,000 into the venture. C. N. R. has decided that the mine is not sufficiently developed to justify the expenditure on a 15 mile spur line to the property. There are rumors also that interests associated with Noranda have been heavy buyers of the stock. Abana has 2,767,000 shares outstanding.

Sudbury Rand Group Give Excellent Assays

Assays of samples taken from several of the 16 groups of claims owned and controlled by Sudbury Rand Mines, indicate high values in gold, silver, copper and arsenic. These assays, made by the Milton Hersey Co., give rich averages both in gold and silver, a sample taken from Group 10 in the Serpent River Basin showing $321.40 in gold, while two samples from Groups 7, 8 and 11 in the same field give values in silver of $187.14 and $213.49.

Seven samples taken from Group 1 in the Sudbury Basin field give assays running from 60 cents to $25.60 in gold, with an average of over $7.80; traces of silver; good values in copper; while one sample shows 31.3 per cent. arsenic. One sample from Group 7 shows $62.60 in gold with a trace of silver. Five samples from Groups 7, 8 and 11 show values in gold of $14.40 and $6.60 and in silver of $187.14 and $213.49. One sample from Group 8 shows $57.20 in gold with a trace of silver, and another shows $187.60 in gold and $2.96 in silver. A sample from Group 10 shows $321.40 in gold and $2.38 in silver. One sample from Group 11 shows values of $75 in gold with a trace of silver. A series of assays of samples from Groups 13 and 14 indicates 4.5 per cent. lead, 13 per cent. zinc, and $1.90 in gold and silver, giving a total average value of $24.99. One sample taken from Group 16 shows 40 cents in gold, $4.33 in silver, 3.15 per cent. copper, and 44.23 per cent. lead.

It is a notable fact that no cash was paid by Sudbury Rand for any of the claims which they now control, payment in each case having been made in stock. Plans are now progressing for the aggressive development of the most promising of these properties by operating subsidiaries which will be controlled fully by Sudbury Rand.

Arno Pushing Ahead on Coxheath Property

Arno Mines is carrying on surface trenching in Desmeloizes Twp. and further diamond drilling is to be undertaken as soon as a drill can be secured.

On the Coxheath property, Cape Breton, the company is going ahead with heavy expenditure in the carrying out of an extensive exploration campaign. Two diamond drills are now employed to test out the downward extension of the surface showings, while some forty men are employed further opening up these showings on surface.

Northern Canada Offering Shares at Seventy Cents

Northern Canada Mining Corp., which succeeded Beaver Consolidated, will sell 500,000 shares at 70 cents. Shareholders of record Oct. 15 can take up one new share for each held. Rights expire Nov. 16. Company is capitalized at 5,000,000 no par shares.

DEEP HOLES ON LEBEL ORO

Nipissing Mines is sinking two deep diamond drill holes on Lebel Oro property, Kirkland Lake. One will cut a new vein at 750-ft. and the other cut the vein in which good values were secured earlier at 1,000-ft.

MONARCH IN B.C. READY FOR MILL

Dept. of Mines Engineer Says Good Progress Made Opening Up Ore

From Our Own Correspondent

NELSON, B.C.—Monarch mine at Field has materially improved its position as a result of the development program carried out this season, says A. G. Langley, B.C. Dept. of Mines, district resident engineer. "Development of the Monarch," he remarked, "has been quietly pushed ahead by F. Eichelberger, well-known mining engineer and metallurgist, representing strong interests. The result of the season's work has been to add a large tonnage to that already blocked out by Major A. W. Davis for A. B. Trites, who formerly owned the property. The tonnage now available at the Mammoth and Kicking Horse mines, on opposite sides of the valley, but under joint ownership, is estimated to exceed 200,000 tons. A considerable percentage of the new ore developed from the old east Monarch workings will carry 35 per cent. lead and 10 per cent. zinc, and about two ounces of silver, per ton."

Mr. Langley stated it was now considered that sufficient ore was blocked out to warrant mill constructon, and that plans were prepared for a mill of 300 tons daily capacity, which would in all probability be erected next year.

Commonwealth Decides on Drilling Two Wells

CALGARY.—Commonwealth Petroleum has decided to drill two wells, one in Milk River field and the other in the southern part of Turner Valley. Milk River location was selected after considerable geological work and core drilling had been done, and would appear to be on the crest of the structure as shown by this work and recent Government maps. The well will be situated nine miles northeast of Milk River, about sixteen miles southeast of Devenish No. 1, and the same distance northeast of the old Red Coulee well. It is expected that production will be reached in the Milk River field in the Ellis formation at about 3,000 feet. The Ellis lies just above the lime, which should also contain oil. Drilling is being done with cable tools.

Turner Valley site is near the crest of the main axis of this structure, and is southeast of the East Crest which is drilling at 2,000 feet, and which encountered the Dakotas at 1,800 feet.

Core drilling with a portable diamond outfit is proceeding on the acreage on the Blood Reserve, under the supervision of Dr. Williams, and other interests are under agreement to drill on the company's acreage here, commencing early next year.

TIMMINS DROPS OPTION

KIRKLAND LAKE.—N. A. Timmins Inc., is reported to have dropped the option on the Kirkland Gold Belt property. The option originally given to May 1st was extended to August 1st. The property became involved in litigation and this no doubt influenced the optioner's action. It is stated, however, that the Timmins engineers reported the showings uncovered in their examination did not warrant the continuation of the option under the original terms of the agreement.

NEW VEIN ON TELLURIDE

Telluride Mines, operating on East Boston Creek, is reported to have cut a new vein on the 250 ft. level in contact with lamprophyre and porphyry.

OPTIONS MOUNT NICKEL

United Verde Extension is reported to have optioned Mount Nickel property, Sudbury Basin. Years ago some work was done on this group.

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Corona Will Take Up Quebec-Malartic Group

Considerable attention from mining men has been centred on the Quebec Malartic property in Malartic Township in Quebec in the same mineralized zone and about one mile north of Malartic Gold Mines. Engineer J. C. Houston has recommended the property to Corona Mines and states that as a result of his investigation of the property and the results obtained to date, he believes that the property justifies intensive development.

It is understood that Mr. Houston has examined and turned down some fifteen odd properties, consequently his recommendations to the Corona directors, it is believed, will be acted upon by them.

Further development work being carried out on the property, particularly on their No. 3 vein is reported to be meeting with success. The vein is more heavily mineralized than either of the other two veins and is showing up stronger as development work proceeds. Corona has a good cash position.

Oriole's Cash Position Shown as Quite Strong

Oriole Mines report on the past year's operations show that the hunt for a mine was conducted on their properties, the company's original holding in Montbray township, Quebec and two groups in Sudbury. Considerable drilling was done on the latter holdings and at the time of the report one option had been dropped after 5 holes had been put down and holes 5 and 6 were under way on the other group. This latter property adjoins Sudbury Basin and Sudbury Fairbanks.

About 2,000-ft. of drilling was done on the Montbray township property and then it was decided to have an electrical survey made and on the result of this, further work will depend. The survey was just completed when the report was prepared and will undoubtedly be discussed at the annual meeting.

Financial statement shows cost $54,776 with a total of current assets of $70,478; liabilities $9,176 and shares in treasury 2,611,764.

English Brook Plans Deep Drilling Program

English Brook Gold Mines, Winnipeg, are being reorganized, with a view to launching a deep drilling and exploration program. It is proposed to investigate conditions below the faulted zone and also in the south. A diamond drilling program is also planned for the Oxford group of claims which were added to the company's ground earlier in the year.

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This was the condition at the property early in October when it was examined by Capt. D. McVichie, Salt Lake, and consulting engineer for Big Missouri Co.

Average widths and values are not yet known. While drifting proceeds the tunnel will be driven on as another good zone has been indicated by drilling at a distance of 400 ft. in.

Values are principally in gold and some very spectacular showings have been encountered.

Unofficial advices are that the values on the drift are running $56 over five feet. It is believed that much greater widths are to be expected.

Lindsleys Are Reported Active at Bird River

WINNIPEG.—Interest is being taken in the possibilities of copper in the Bird river area which lies approximately 70 miles northeast of Winnipeg. It is reported that the Lindsley interests have taken up options on certain copper properties in the area.

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Further Raids Carry Mine Shares Down to New Low Level

Sudbury Basin and Treadwell Yukon Both Slump Badly

MALARTIC RAIDED

General Tenor of Whole Market is Safe But Nickel Continues Upward

International Nickel continued its upward swing almost without hesitation in one of the softest markets that has been experienced in mining shares in the last couple of years. Mond Nickel and Noranda held firm but the rest of the list was off considerably with some rather startling declines in some cases, notably Sudbury Basin, Treadwell Yukon and Malartic Gold.

The whole market savored of professional action. Some brokers have been declaring for some time that the market has been oversold. They make the point that any sizeable buying order will put any stock up. Yet the market sells lower and lower.

No one seems to be able to offer any acceptable explanation of what caused the break in Treadwell, Yukon and Sudbury Basin. They say that some time ago there was a rumpus between some of the mine technical heads and some of the executives and that this brought some selling and this selling led to the dissolution of a pool holding 185,000 shares. That might explain the break down to around $6.50 but the last dollar to $5.50 which was dropped during the past week, seems more difficult of explanation. This is especially true when it is remembered that the public holding the shares have been waiting rather impatiently for the pending report on the nickel operation in which Sudbury Basin is expected to have a substantial holding. If the public held on to its stock, the selling must have been either professional or on the part of insiders.

Treadwell Sales Few

Treadwell Yukon slipped back to around $8 per share as compared with the high of $26 which makes the decline in valuation of this venture about $27,000,000. It is believed that the total stock in the hands of the public amounts to around 150,000 shares and the rest is held by Bunker Hill Sullivan and subsidiaries. A study of the sales would seem to indicate that the price went back because of utter absence of buying power. Since Oct. 1 sales have totalled but 8,000 shares but that amount of selling forced the price from $14 to $8.

The situation on Malartic is much clearer. On Oct. 1 that stock was at $1.70. Since then 509,000 shares have changed hands with the shares selling down to $1.00. This seems to have been premeditated. The tip was passed around a week ago that the plug was to be pulled and it was. The basis of the break was a report that a diamond drill had failed to cut the ore below the 375-ft. level. There was just as much reason and logic in this as there was in the report of the week previous that Teck-Hughes gold values had been cut off. The fact that the diamond drill failed to cut the ore was not the cause of the break in Malartic shares but was used as an excuse to break the stock down.

Kirkland's Hit

Kirkland Lake Gold stocks were hard hit again. Bidgood got down to 51 and Kirkland Lake Gold to 115. Lake Shore held well under $20 but Teck-Hughes was kept around $8 after getting it as low as $7.55. Now all the brokers are urging clients to get into the stock. Wright-Hargreaves made a new low of 2.30 but snapped back when the directors declared the regular dividend. Gossip on the street was that the dividend would be passed entirely.

Tough Oakes has not recovered from its drop to 17 cents and has been holding there. There have been a lot of rumors about this operation and as things have not been going well for some time there are doubtless many getting away from what they consider a sinking ship.

Hollinger Around $8

Hollinger's low for the week was $7.30 but there are evidently more buyers than sellers of that issue below $8 for the price came back quickly. Total transactions for the past week were 20,300 shares as compared with 26,800 the week previous when the price ranged between $7 and $7.75. Hollinger has declared its second one per cent. dividend. This is on a basis of 65 cents per share and with the stock selling at $8 the yield is better than 8 per cent. It is evident that this yield is making the stock attractive.

Howey Gold slipped back during the week to the early eighties but only hesitated there. There has been no official news that would cause any rush of buying, but it is believed that there is something to come out in regard developments on the 500-ft. level. It is understood that much better grade of ore has been picked up in drifting to the east.

Threaten to Cut Off Granby's Power Supply

Granby Consolidated which among other properties in B.C. operates Copper Mountain Mine and Allenby concentrator, has diverted its copper concentrate shipments from Consolidated Smelters, Trail smelter to Tacoma, Wash., smelter, a Guggenheim operation. Better treating terms and better shipping facilities, are the reason given.

This promises to provide a legal fight. West Kootenay Power of Consolidated Smelters supplies these Granby operations with power. Smelters will sell power only where it produces customs ore as it needs all the power itself. When the power subsidiary announced that it would cut off the Granby power supply, the courts were asked to interfere. The legal battle is on.

DRILLED ELEVEN HOLES

Lucky Tiger Co., diamond drilling in Malartic section of Quebec, has just concluded drilling eleven holes. Further work is to be done after the freeze-up.

LARTIC PLANT IN

Lartic Mines in the gold section of Quebec has its new plant ready and will start shaft sinking. It will be carried down to 250-ft.

May Make Smelters Control the Winds

Who controls the air, is becoming a many sided question. The Radio has resulted in the question being raised many times. There is talk in some sections of controlling air traffic and now air control has been raised in the Western States as an international question.

Consolidated Smelters large smelter at Trail is only a few miles north of the International boundary. Fumes from the smelter sometimes blow south and fruit growers and others in state of Washington are claiming damages. They contend that Consolidated Smelters has no business allowing the wind to blow the fumes over the boundary. An easy way out would be for Smelters to stop the wind blowing south.

Teck Costs Down; Ore Tonnage Up

Teck-Hughes costs figure much in the discussion on the forthcoming annual report, covering operations to August 31. It is said that they may be down to $6 per ton.

The last report showed development, mining and milling costs of $7.05 divided $3.59 mining, $1.61 development and $1.85 milling. In addition general costs were $1.36 and depreciation allowance $1.19 or a total of $9.60 per ton. Any reduction in costs will likely result from the increased tonnage with the main reduction in mining costs. Decision to proceed with the construction of the new deep shaft will continue to hold development charges up.

The year 1927 showed an average recovery per ton of $18.11 which would work out at $8.51 net. With costs down to $6, the average value of the ore could be cut $1 by the substantial tonnage increase and still maintain the same profit per ton. It is generally accepted that Teck-Hughes recovery per ton is now about $17, with 900 tons being handled daily which should work out close to double the 153,881 tons handled in 1927.

Algoma Steel Earnings Higher in Past Quarter

From Our Own Correspondent

MONTREAL.—According to figures given out from the offices of the Algoma Steel Corporation, there has been an improvement of $471,250 in the corporation's position during the three months, July, August and September, as compared with the same period in 1927.

Last year, the Corporation showed a deficit of $141,941 at the end of September, while the estimated surplus for the three months operations at the end of September this year was $329,309.

Dome Earns Near Same as Year Ago

Dome's nine months' earnings to Sept. 30 amounted to $1,334,529, before allowance for depletion and depreciation. The figures for the same period in 1927 were $1,367,223. The 1928 figures show an increase in tonnage but a drop in the average gold content. Costs this year are materially lower, falling well below $4 per ton. The figures:

Tons milled	406,700	410,400
Recovery	$2,930,252	$2,804,002
Per ton	$7.21	$6.83
Costs	$1,650,236	$1,575,888
Per ton	$4.06	$3.84
Taxes	$76,789	$62,644
Total costs	$1,727,025	$1,638,533
Oper. profits	1,203,227	1,165,469
Misc. earnings	163,996	169,060
Net before depl. and deprec.	$1,367,223	$1,334,529

KING EDWARD HOTEL PROFIT IS GROWING

Stock Gives High Yield; Future of Property is Questioned

Earnings of King Edward Hotel, Toronto, for the first nine months of the current year are said to have exceeded earnings for the corresponding period of the previous year by 20 per cent. This would suggest earnings of the year approaching $15 on the 20,000 shares of common stock, compared with $12.10 in 1927.

The stock is currently selling around 60, although it is on a dividend basis of $6. The low price is due to the fact that the Canadian Pacific Hotel, the Royal York, is nearing completion and it is questioned if the King Edward can continue to operate at its present profits when a newer first-class hotel is open for business.

Directors of the company are reported to be confident that the King Edward's position as a leading hotel can be maintained despite new competition. It is pointed out that other cities of similar size to Toronto boast two or more first-class hotels and that the demand for hotel accommodation in Toronto has been growing rapidly in the last several years.

Canada Foundries Plants Fully Engaged at Present

From Our Own Correspondent

MONTREAL.—Operations of Canada Foundries and Forgings are understood to be satisfactory at present. The Welland plant is reported to be working overtime, and the company is said to have as much work from the automobile industry as it can take care of. A satisfactory feature of the situation is that this work gives every likelihood of continuing in good volume for some months.

Under these conditions it is anticipated that earnings for 1928 will compare favorably with those of recent years.

Capitalization of the company underwent a change some months ago, whereby 9,600 shares of preferred stock of $100 par value were exchanged for 38,400 class A no par value common stock on a four for one basis and 9,600 shares of common of $100 value each were exchanged for an equal amount of Class B no par common. Both stocks are listed on the Montreal Stock Exchange, and have recently traded hands at 23-24 for the "A" and 27 for the "B."

Nickel Merger Talk Results in Millions Poured Into Markets

Report Persists That International and Mond Companies Will Combine — However, Stock Split of "Nickel" Shares May be Real Reason

Lord Melchett on a recent visit to Canada declared that there was no foundation for the report that Mond Nickel and International Nickel would amalgamate.

This week International Nickel jumped eighteen points in one day on the strength of a persistent report that the amalgamation would take place.

Advices are that the heavy New York buying of past 10 days which carried International Nickel up from 125 to 166 has as its basis, the proposed merger.

The amount involved in this speculating in Nickel runs into many millions and it seems reasonable, as one broker put it, that there must be some foundation in fact to bring about the pledging of such a large amount. Rumors may sometimes attract the speculation of a few million dollars but when the amount involved gets up around $75,000,000 and reaches the huge total of $30,000,000 in one day, there must be more than gossip behind it, was the brokers contention. As far as he could find out, however, the report was only based on gossip.

There is a tendency in some quarters however, to heed the denial of the head of the Mond operation, and these people believe that the interest in Nickel is due to possibilities of a stock split. This would explain perhaps why Mond price has been stationery and Nickel has climbed.

The talk is that International Nickel shares be split six new for one old. Then International Nickel would take over Mond Nickel on a share for share basis.

It is noted that recently Mond has held around 33 while Nickel has gone up. The talk is 200 for Nickel which would make the price of the new shares about 33, or equal the present price of Mond.

But this gossip gives consideration only for Mond ordinary shares and does not take into consideration the debentures and preferred shares of Mond which stand ahead of the common. Such a deal would hardly be accepted without substantial consideration for the holders of the senior securities.

September Gold Output in Ontario Shows Drop

September gold production in Northern Ontario totalled $2,502,665, a falling off of $330,000 compared with a year ago. Incidentally the monthly total is the second lowest in 1928, standing second to February. Both Kirkland Lake and Porcupine figures fell below August. Porcupine was down $370,000 from last September and Kirkland Lake up $44,000.

Source and Period—	1927 Tons	1927 Total Value Crude Bullion $	1928 Tons	1928 Total Value Crude Bullion $
Porcupine—				
Year total	3,488,997	24,052,073	......	......
Average per month	290,750	2,004,339	......	......
January	292,484	1,926,908	294,343	1,956,969
February	265,559	1,885,833	213,343	1,439,161
March	284,999	1,923,787	269,050	1,690,320
April	286,066	1,964,516	256,531	1,628,305
May	301,300	1,925,322	262,646	1,701,794
June	283,525	1,935,354	252,004	1,471,019
July	288,549	2,051,240	264,134	1,576,745
August	302,618	1,732,101	279,504	1,737,344
September	296,713	1,902,915	276,412	1,530,605
Total, 9 months	2,601,813	17,247,976	2,367,967	14,732,262
Kirkland Lake—				
Year total	797,581	9,704,430	......	......
Average per month	66,465	808,703	......	......
January	50 696	600,354	80,264	1,005,886
February	50,103	592,230	84,906	964,830
March	60,272	706,083	90,624	1,084,949
April	69,075	698,782	78,640	884,289
May	61,687	857,632	86,099	997,145
June	67,409	736,811	86,301	1,153,313
July	66,899	762,749	90,208	969,998
August	73,482	903,330	86,788	983,754
September	69,404	928,638	88,364	972,060
Total 9 months	559,027	6,786,609	772,194	9,016 224
Total Gold Mines—				
Year total	4,286 578	33,756,503	......	......
Average per month	357,215	2,813,042	......	......
January	343,180	2,527,262	374,607	2,962,855
February	315,662	2,478,063	298,249	2,403,991
March	345,271	2,629,870	359,674	2,775,269
April	345,141	2,663,298	335,171	2,512,594
May	362,987	2,782,954	348,745	2,698,939
June	350,934	6,672,165	338,305	2,624,332
July	355,448	2,813,989	354,342	2,546,743
August	376,100	2,635,431	366,292	2,721,098
September	366,117	2,831,553	364,776	2,502,665
Total 9 months	3,160,840	24,034,585	3,140,161	23,748,486

MALARTIC DRILLING PROVES ORE LENGTH AT LEAST 3,000-FT.

(Continued from page 21)

port will shortly be placed in the hands of the management.

The Mining Plant

The Malartic plant consists of two 60 h.p. boilers, a five-drill compressor, 10 by 12 hoist, drill sharpener, and two diamond drills. It has its own assay office, and camp buildings to accommodate a crew of over 100 men. The 40-ft. head frame topping its shaft is now being boarded in for the winter.

A townsite has been laid out by the company and cottages are being erected to accommodate the married members of the staff and the workmen. Seven cottages have been put up since August and more are in course of construction.

Transportation Problem

The nearest railway station to the Malartic is located at Amos, 45 miles away. The task of feeding and clothing such a community, bringing in supplies for the mine, and carrying on the extensive developments that are under way, is therefore a problem calling for a strong and energetic executive, a loyal staff, and a smooth working organization. In Mr. Norrie and his corps of workers, the Malartic possesses all these.

Only a trip over the ground itself can serve to indicate just how formidable a task the mining men have to face in the development of properties in the Fourniere-Malartic-Cadillac section, far removed as they are from railroads or highways. In the case of the Malartic, scows with a capacity of from 75 to 100 tons are loaded with supplies at Amos on the Harricana River. The motor-propelled scows plough up the river 28 miles to Lake Malartic. Six miles across the lake brings them to the little Askigwa river, and a mile up stream, to the rapids. Here the goods are transferred to 36-foot pointers, which are poled, or, if the water is running too fast, pulled by tump lines, up a channel blasted through the rapid's maze of jagged, knife-sharp rocks, to the foot of a dam built by previous lumber operations. Here the supplies are transferred to a truck, and this hauled by a power driven winch to the head of the dam. Again they are transferred, this time to the Malartic's fleet of freighters—a 5-ton scow, and two 25-foot pointers, all equipped with outboard motors. These carry the supplies nine miles up the river to Malartic Landing. There they are transferred to carts and hauled by the Malartic teams to the mine, a distance of two and a quarter miles. The last stage of the proceedings sounds easy, yet in reality is the hardest part of the route. Continual rains have harassed this section of the country all summer and fall, so that the heavy daily traffic has churned the wood roads into a morass of mud and water. Courderoy has been laid in places, but much of this is under water. Where there is no courderoy, horses and carts plough through sticky soupy mud, always at least a half a foot deep, sometimes a foot and a half. Under this lie unseen boulders, holes and tree roots. Horses strain and sweat, wagons groan and sway, drivers curse and coax, and the loads go creaking on to the mine.

With the freeze-up expected at any moment, the task of getting in supplies to keep the mine and miners going till the winter roads are opened up, is one calling for quick despatch.

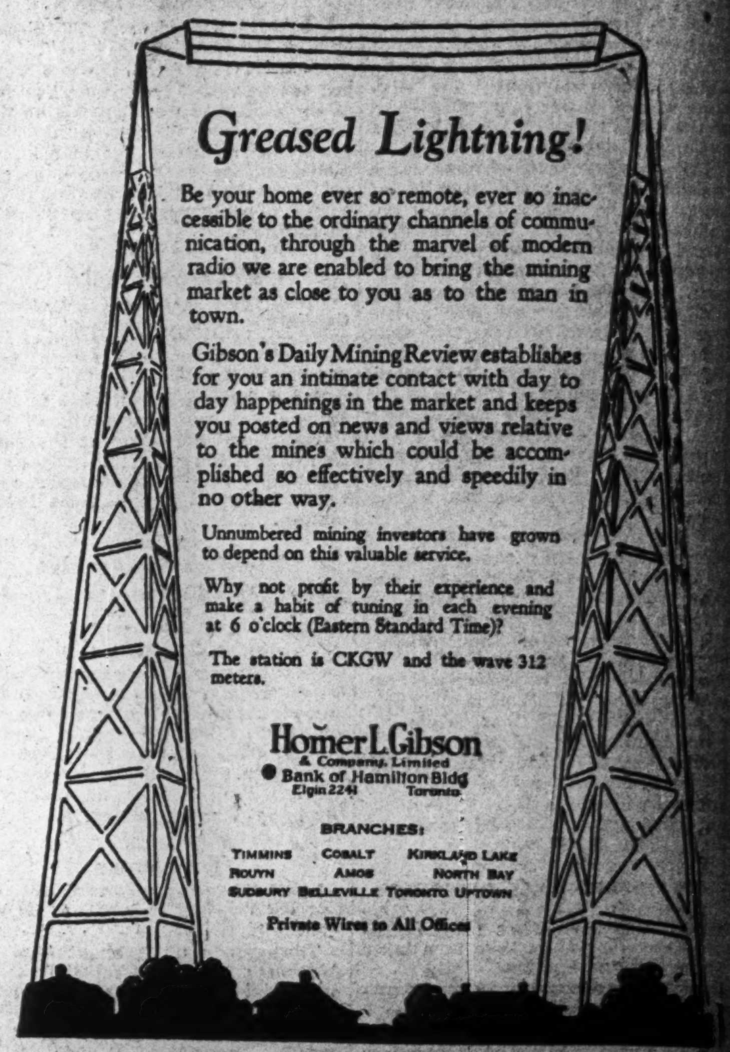
When The Financial Post visited the property, it found Mr. Norrie hard at work hustling along the transfer of supplies from the lighters to the smaller boats. The stevedores along the waterfront at Montreal, St. John or Halifax, would have stopped in wonder at the way this energetic mine manager and his gang of willing workers hustled the freight along.

Hailing from Nova Scotia, the reputation of whose iron men who manned the sailing clippers of the '50's and '60's still lives, this Blue Nose engineer led the way, and even the hardy French-Canadian rivermen were hard put to keep up with the pace he set. Working from daylight to dark, the seemingly impossible has been accomplished, 75 tons of supplies were sent over the dam in four days, and supplies for 100 men, feed for 12 horses, and sufficient explosives and machinery toted into the mine to carry well into the winter.

From then on four horse-teams will take up the work, hauling in over winter roads that will stretch for 37 miles between the mine and Amos, the base of supply.

Canada Supplants States in Canvas Rubber Shoe Exports

MONTREAL.—Canada, which has supplanted the United States as the world's leading supplier of canvas rubber soled shoes, exported during August 819,917 pairs, valued at $547,25[illegible], against 538,136 pairs, valued at $[illegible]548, for the United States. Canadian exports during the first eight months of 1928 have exceeded those of the United States by 1,095,000 pairs.

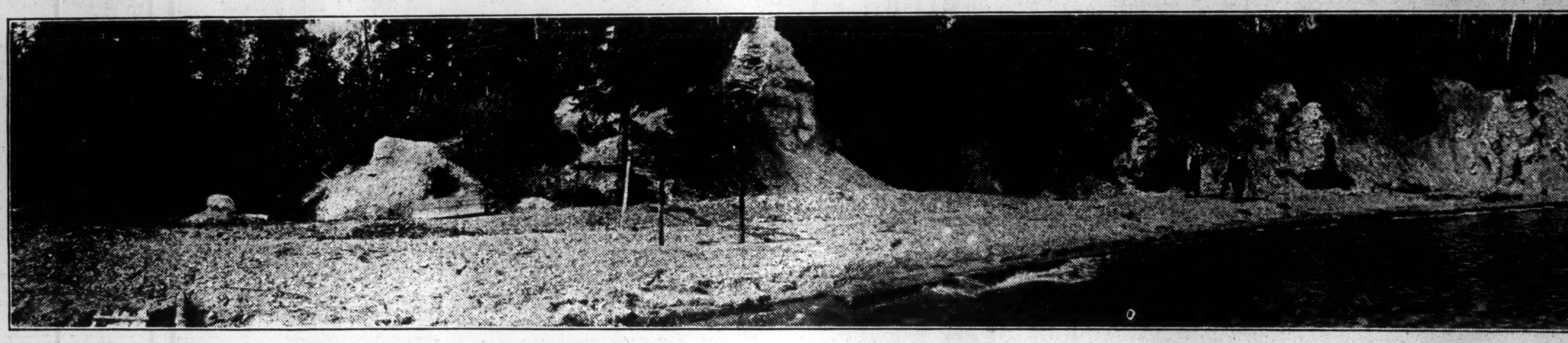


CHIBOUGAMAU CLAIMS

Bought and Sold

LAKE CHIBOUGAMAU MINING SYNDICATE
LIMITED
2002-3 Royal Bank Bldg.
MONTREAL

BIG HARBOUR GYPSUM SYNDICATE



CLOSE-UP VIEW SHOWING SECTION OF THE GYPSUM DEPOSITS OF THE BIG HARBOUR GYPSUM SYNDICATE, BOULARDERIE ISLAND, VICTORIA COUNTY, CAPE BRETON.
Engineers estimate there are not less than 10,000,000 tons of high-grade Gypsum in sight in these deposits above water level, and the entire property can be reached by ocean steamships.

Property and Purpose of Syndicate

THE BIG HARBOUR GYPSUM SYNDICATE is now established, and a sufficient number of units have already been sold to enable the Syndicate to secure title to the property which Trustee George A. Welsh, chartered accountant, now has in his possession, and the balance of the purchase price is being paid out of the sale of these units.

Immediately after these units have been sold there will be formed a company known as THE BIG HARBOUR GYPSUM CORPORATION LIMITED with a capitalization of 5,000,000 shares no par value, and each unit holder in the Syndicate will receive 250 shares in this Corporation for each unit held by him. A considerable amount of development work has already been done on the property, and within a very brief time the Corporation should be in production.

This financial programme means that there will be 3,250,000 shares in the treasury and only 1,750,000 shares issued, and the Corporation will own this valuable property all clear. It is planned to sell sufficient treasury stock to secure $500,000 working capital, which will certainly put the Corporation in a sound position.

With the remarkable increase in the consumption of Gypsum in the building trade and considering the increased value of crude Gypsum at the mine, the prospective earnings in a proposition of this nature are very attractive indeed.

An enquiry on your part as to the earnings of securities of existing Gypsum Companies will serve to indicate the possibilities of this proposition.

A few of the reasons that enable us to offer these Units with confidence

The Gypsum industry in Canada has made an exceptional advance in the past few years.

Within a few months the Big Harbour Gypsum Corporation Limited should be shipping Gypsum, for which there is an ever increasing demand and excellent profit.

The market for Canadian crude, crushed, calcined or uncalcined is a rapidly expanding one, and the many and increasing uses for Gypsum have opened markets throughout the greater part of the world.

In Canada alone, the building programme for the first nine months of this year exceed the total of 1927 by over $100,000,000. According to McLean's Building Reports, September, 1928, is 38.5% over September, 1927, with total construction reaching $45,438,000 in September alone.

The use of Gypsum in the building trades is constantly increasing, and profits from Gypsum are evident by the market position of companies engaged in the business in Canada and by the profits paid to shareholders of such companies.

The Big Harbour Gypsum deposits consist of a very high-grade Gypsum, which can be quarried at a remarkably low price.

The incorporated operating company will have a comparatively low capital of 5,000,000 shares, no par value, of which the holders of units in the syndicate will receive 250 fully paid shares per unit.

When the Syndicate has been completed they will have a clear title of property of great value as a tangible asset.

SOME OF THE USES OF GYPSUM
1.—Insulation and fireproofing in all building construction.
2.—Various forms of flooring, roofing and wall tiles.
3.—Roofing and fireproof wall boards.
4.—Manufacture of cement.
5.—Highway construction.
6.—Stucco and moulding and interior decorating.
7.—Plaster of Paris.
8.—Statuary, imitation marble, advertising displays and many other uses.

Engineers' Valuation and Report

VALUATION:—Value of property with plant installed amounts to $2,775,000—made up as follows:—10,000,000 tons of Gypsum taken as 5,000,000 tons for valuation—value at quarry, say 55 cents per ton.
5,000,000 tons at 55 cents .... $2,750,000 (Property)
25,000 (Plant)
Total value $2,775,000
making a total of over seven times the capitalization of the syndicate.
A full report made by reliable engineers who have thoroughly examined the property may be seen at our office, 48 Yonge Street, or a copy will be mailed on request.

The above estimate is only the value of the deposits as an asset, and does not take into consideration the profits to be derived from refining and manufacturing, which will be the principal business of the Corporation in the future.
Further—our knowledge of this property makes the above estimate conservative in the extreme.

WHAT WE OFFER:
We have purchased, and offer, subject to prior sale, 2,400 units of the Big Harbour Gypsum Syndicate at *$75 per unit*

THIS COUPON FOR YOUR CONVENIENCE
HAMPSON & CO. LIMITED,
48 YONGE ST., TORONTO
Gentlemen:—
Kindly mail your descriptive circular on Big Harbour Gypsum Syndicate with full particulars and oblige.
NAME ....
ADDRESS ....
POST OFFICE .... F.P.

HAMPSON & CO., LIMITED 48 Yonge Street TORONTO
F. E. MUTTON, Director of Sales *Telephones AD. 6356-6357*
The above information, while not guaranteed by us, is based upon information which we believe to be reliable and on which we have relied in the purchase of these Units.